Daily Report

East Europe

FBIS-EEU-94-180
Friday
16 September 1994

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Daily Report
East Europe

FBIS-EEU-94-180 *16 September 1994*

CONTENTS

NOTICE TO READERS: All material in this volume previously disseminated in electronic form.
An Ω indicates a Foreign Media Note.

INTERNATIONAL AFFAIRS

EU Commissioner Urges U.S. To Rethink Embargo *[AFP]* 1
CSCE Backs Contact Group Proposals for Bosnia *[TANJUG]* 1
UN Peacekeepers Brief NATO Committee *[AFP]* 1

ALBANIA

Situation at Greek Border Reported 'Calm' *[Tirana TV]* 2
Russian Mediation Viewed as 'Unacceptable' *[POPULLI PO 7 Sep]* 2

BULGARIA

SDS Parliamentary Group Against Forming Cabinet *[Sofia Radio]* 4
SDS Leader Dimitrov Cited on Cabinet Situation *[DEMOKRATSIYA 12 Sep]* 4
Zhelev Views Cabinet Formation Talks, SDS *[24 CHASA 12 Sep]* 5
Commentator Views Possible Zhelev-SDS Deal *[KONTINENT 11-12 Sep]* 5
Parties Urged To Reject Mandate, Hold Elections *[KONTINENT 13 Sep]* 5
Daily: Reactor Not To Receive Safety Clearance *[DEMOKRATSIYA 12 Sep]* 6

CZECH REPUBLIC

Constitutional Court To Review Benes Decrees *[PROGNOSIS 31 Aug]* 7
'Bread-and-Butter Issues' Dominate Campaign *[PROGNOSIS 31 Aug]* 9

SLOVAKIA

Celebrities Enter Election Campaign as Candidates *[PROGNOSIS 31 Aug]* 10

HUNGARY

Trade Ministry Ready for End to Yugoslav Embargo *[NEPSZABADSAG 14 Sep]* 11
Poll: Most People Consider MDF Divided Party *[NEPSZABADSAG 12 Sep]* 11
MDF Risks Becoming 'Insignificant' Party *[UJ MAGYARORSZAG 14 Sep]* 12
Jurists Group Issues Charter on Minorities *[MAGYAR NEMZET 9 Sep]* 12
Situation, Prospects of Local Governments *[UJ SZO 9 Aug]* 13
Radio Leaders Announce New Program Structure *[Budapest Radio]* 14
Foreign Investor Views Food Export Prospects *[FIGYELO 25 Aug]* 15
'Most Successful' Privatized Firm Viewed *[FIGYELO 25 Aug]* 15

POLAND

Clinton Claim of Poles in Invasion Denied *[Warsaw Radio]* 17
Intelligence Chief Candidates Considered *[GAZETA WYBORCZA 15 Sep]* 17
Zacharski, Kuklinski Rejected *[ZYCIE WARSZAWY 15 Sep]* 17
Sejm Adopts Secrets Act, Sends to Senate *[Warsaw TV]* 18
Commentary on Kolodko, 'Strategy for Poland' *[WPROST 18 Sep]* 18
Cesium Contamination From Chernobyl Viewed *[RZECZPOSPOLITA 22 Aug]* 19

ROMANIA

PDSR Examines Privatization, Reorganization *[DIMINEATA 10 Sep]* 20
'Hungarians' Reject Iliescu Stand on Minorities *[Budapest Radio]* 21
Law on National Defense *[MONITORUL OFICIAL 7 Jul]* 21

BOSNIA-HERZEGOVINA

UNPROFOR in 'Fierce Firefights' With Serbs *[AFP]* 26
UN Says RSK Serbs Blocking French Troops *[AFP]* 26
UN Commanders Discuss NATO Help in Withdrawal *[AFP]* 26
UNPROFOR Not To Seek Bihac Air Strike *[AFP]* 27
Izetbegovic, U.S. Envoy View Sanctions, Embargo *[Sarajevo Radio]* 27
Koschnick Views Serb Shelling, EU in Mostar *[Sarajevo Radio]* 27
Serbs Preparing New Attacks on Mt Ozren Front *[Sarajevo Radio]* 28
Serbs Stop Muslim Offensive in Southeast Bosnia *[TANJUG]* 28
Muslim Attacks on Serbs in East Continue *[TANJUG]* 29
5th Corps Repels Serb Attack on Bosanska Otoka *[Sarajevo Radio]* 29
Muslims Push Serbs Back on Konjic Front *[Zagreb Radio]* 29
Croats Withdraw Threat To Pull Out From Konjic *[AFP]* 29
B-H Army Liberates Konjic 'Chetnik Stronghold' *[Sarajevo Radio]* 29
Serbian Civilians Evacuated From Konjic Area *[TANJUG]* 30
Serbs Divert Power From Sarajevo to Pale *[AFP]* 30
Muslim-Croat Fighting Reported in Travnik, Zepce *[TANJUG]* 30
Muslim Leaders Expect Renewed Croat Fighting *[TANJUG]* 31
Krajisnik Warns of Measures Against 'Deserters' *[BORBA 13 Sep]* 31

CROATIA

UNPROFOR Demands Release of Journalists *[AFP]* 32
Krajina Leadership Rift Deepens Over Blockade *[BORBA 15 Sep]* 32
SDS' Babic Hints at Government Boycott *[BORBA 14 Sep]* 32
Commentary Views Progress of B-H Federation *[VJESNIK 4 Sep]* 32
Tudjman Congratulates Military on Exercise *[Zagreb Radio]* 34
Radioactive Waste Reportedly Dumped in Slavonia *[DNEVNIK 8 Sep]* 34

THE FORMER YUGOSLAV REPUBLIC OF MACEDONIA

Serb Democratic Alliance To Boycott Election *[TANJUG]* 36
Goals, Actions of CSCE Mission Scrutinized *[PULS 12 Aug]* 36
Text of Law on Election of President Published *[SLUZBEN VESNIK 21 Apr]* 37

YUGOSLAVIA

Federal

Kontic on Change in Government, Peace Options *[TANJUG]* 39
Jovanovic Views Process To End UN Sanctions *[Belgrade TV]* 39
Prime Minister Announces New Federal Government *[TANJUG]* 39
Belgrade Rejects Draft From Working Group *[TANJUG]* 40
FRY, Russia Sign Contracts Worth $1.8 Billion *[TANJUG]* 40
Government on Humanitarian Aid, Reorganization *[TANJUG]* 40
Defense Minister Receives French Official *[TANJUG]* 41

Serbia

Milosevic, Bank Chief Meet, Discuss Economy *[TANJUG]* 41
'Text' of Monetary Reform *[TANJUG]* 43
Prime Minister Sets Out Economic Priorities *[Belgrade Radio]* 44
'Anonymous' Source Details Sanctions Violations *[POLITIKA 10 Sep]* 45
Tomic: Economy Ready for Easing of Sanctions *[TANJUG]* 45
Milosevic Meets With Judicial Officials on Crime *[TANJUG]* 46

EU Commissioner Urges U.S. To Rethink Embargo

AU1509152494 Paris AFP in English 1456 GMT 15 Sep 94

[Text] The Hague, Sept 15 (AFP)—Hans van den Broek, the European commissioner for external affairs, called Thursday [15 September] on the United States to ditch plans to lift the arms embargo against Bosnia.

"Lifting the embargo might relieve our conscience but it is not necessarily the way to peace," Van den Broek said in a speech marking the opening of a Dutch institute of international relations.

The commissioner said lifting the embargo would throw Serbia's severing of links with the renegade Bosnian Serbs into doubt, create complications for Russia and threaten the cohesion of international attempts to resolve the Bosnia crisis.

The United States has argued that the arms embargo leaves underarmed Bosnian Government forces exposed to Serb aggression and called for it to be lifted if the Serbs do not accept the current UN peace plan by an October 15 deadline.

CSCE Backs Contact Group Proposals for Bosnia

LD1509201694 Belgrade TANJUG in English 1733 GMT 15 Sep 94

["Pool" item]

[Text] Prague, Sept. 15 (TANJUG)—High officials of the Conference on Security and Cooperation in Europe on Thursday discussed the situation in Bosnia and backed the "Contact Group" proposals.

Officials from a dozen countries took part in the discussion, strongly dominated by Russia's position that it was essential for the peace process that the sanctions against Yugoslavia be eased or lifted.

The Contact Group, representing the United States, Russia, Great Britain, France and Germany, decided at its meeting in Berlin last week to advise the United Nations Security Council to ease the sanctions against Yugoslavia. The decision was made in recognition of Yugoslavia's efforts to help resolve the crisis in Bosnia-Herzegovina.

The U.N. Security Council imposed the sanctions on Yugoslavia more than two years ago for the country's alleged involvement in the civil war in Bosnia-Herzegovina.

The Russian stand at the CSCE meeting was sharply criticized by Croatia, which seceded from the former Yugoslav Federation in 1991. The Croatian official said that easing the sanctions had to be made conditional on a gradual integration of Serb Krajina into Croatia. He also said Croatia was not ready to compromise, even if that meant opposing the U.N. and the entire international community.

The head of the Bosnian Muslim delegation also opposed the Contact Group proposal for easing the sanctions. He said that ethnic cleansing continued in the cities of Bijeljina in northeast Bosnia and Banjaluka in the northwest. He also said that ethnic cleansing was being practiced in the Raska region in southwest Serbia, and in some parts of Montenegro.

UN Peacekeepers Brief NATO Committee

AU1509113494 Paris AFP in English 1103 GMT 15 Sep 94

[Excerpt] Brussels, Sept 15 (AFP)—UN peacekeeping chiefs in the former Yugoslavia briefed the North Atlantic Treaty Organization's military committee here Thursday, a spokesman said.

General Bertrand de Lapresle, commander of the UN Protection Force in ex-Yugoslavia, and Lieutenant General Sir Michael Rose, who heads the UN peacekeeping force in Bosnia-Herzegovina, made an unannounced visit here and went into the meeting at 9:00 a.m. (0700 GMT).

The spokesman said they were still meeting two hours later, without giving further details.

The military committee makes recommendations to the NATO Council and Defence Planning Committee and gives guidance to the allied commanders. [passage omitted]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Situation at Greek Border Reported 'Calm'

AU1609064894 Tirana TVSH Television Network in Albanian 1800 GMT 15 Sep 94

[Text] Compared with previous days, a relatively calm situation has been reported at the border crossing points of Kapshtice and Kakavije.

Our correspondents in these districts report that as of 1600 today, 277 refugees returned via the Kapshtice checkpoint, many of whom returned of their own free will. At midday, 110 persons had been deported from Kakavije. Only 30 persons were allowed to cross the Albanian border for Greece via this border point: of these 20 were drivers of TIR [Transports Internationaux Routiers] trucks, 15 minority students, and five sick persons with medical recommendation.

Russian Mediation Viewed as 'Unacceptable'

AU1509112994 Tirana POPULLI PO in Albanian 7 Sep 94 p 5

[Interview with Abdi Baleta, deputy and leader of the Right-Wing Democratic Party of Albania, by Arban Hasani in Tirana; date not given: "Is Russia Aiming To Act as Mediator Between Serbia and the Albanians?"]

[Excerpt] [Passage omitted] [Hasani] You are a well-known specialist in international affairs. What is your view of Russia's willingness to become a mediator in solving the conflict between Albania and Serbia?

[Baleta] First of all, I would like to say that there is no new conflict between Albania and Greece. Albanian-Greek relations have always undergone periods of crisis. What we have today is just a clamor being raised. As far as Russia's idea of mediating in Albanian-Greek relations is concerned, this is something new that must be analyzed, and I believe that it is not unexpected. It is a tentative idea that has been quietly maturing in cabinet rooms, and I think that some preliminary views on it have been exchanged. What I am saying is that greater Russia has a more direct interest in the Balkan situation than any other power. While Russia does make concessions in other regions—even at its most difficult moments when the Soviet Union was being dismantled, Russia made concessions in the Baltic region and Asia—it has never made any such concessions in the Balkans. This must be kept very strongly in mind by the Albanian policy and propaganda, because it has been a constant factor in Russian policy for the past 200 to 300 years. On the other hand, Serbia and Greece are the two favorites of Russian policy in the Balkans and Europe. There are political, historical, and religious reasons why Russia takes particular interest in the Balkans, and not only at the present time. Why is it taking its current move? Russia speaks of mediation. In the theory of the law of nations, there are five ways of peacefully resolving conflicts. The first is direct talks between the two parties concerned to discuss things alone. For the moment, I do not think that this means has been entirely exhausted between Greece and Albania, but when the parties concerned fail to sit down and negotiate, the second way is called goodwill offices, when a third party intervenes—not to take part in the talks, but just to make the parties sit down at the negotiating table. The third way is mediation, where the third party not only takes the initiative to make the other two parties sit down and negotiate, but also makes suggestions. This third party even has ready-made plans for solving the conflict. Russia has undertaken to play exactly this role. I have nothing against Russia, or against its diplomats, but I am speaking in defense of my viewpoint and the interests of our state. Thus, Russia's role of mediator is unacceptable to us, because historically speaking, Russia has always taken an anti-Albanian stand. We must not accept this mediation, which would be the same as expecting Greece to accept Turkey as a mediator.

[Hasani] Do you see any ready-made plans on the part of Russia?

[Baleta] The truth is that there is no need for mediation, because no Albanian-Greek conflict exists; there is just a lot of noise being made about it. If Greece does not want to keep the Albanian refugees, the procedures for going about it are quite well known. In the meantime, five Albanian citizens are being tried here on charges of treason, and nobody has the right to interfere. Then, I think that there must be somebody else who is playing tricks.

[Hasani] So, Russia also has a plan....

[Baleta] I do not know this, because we have no information about it. It is our Ministry of Foreign Affairs that should provide us with the information, because we are just outside observers. We are judging today from the information given to us by the press.

[Hasani] What is your opinion, then?

[Baleta] Judging from the indications that I have, I think that Russia is not so much interested in solving crises between Albania and Greece, as in mediating between Albania, the Albanians, and Serbia. The initiative regarding Greece is being taken in order to create a precedent that could enable Russia tomorrow to mediate between the Serbs and Albanians—either between the Serbian Government and Kosovo, or in any talks that might take place between Albania and Serbia. Thus, when Albania itself has said that a mediator is needed, Russia seems to have undertaken to play the role.

[Hasani] So what is happening in the south must have been planned in advance?

[Baleta] All this heightened tension in the south has been created just to distract the attention of the Albanian Government and Albanian people, in order to enable Milosevic to realize his intentions regarding Kosovo. I have indications that there are some Albanian diplomats who are inclined to look upon Russia's mediation with a benevolent eye. Everything is being done behind the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

scenes. However, there is a risk, and I would like to quote from an article by the RILINDJA correspondent in the United States that was published in RILINDJA on 14 July 1994, where it says: "The inevitable question arises: Is the West giving in to the Russian foreign policy invasion in the Balkans?" I therefore think that this issue should shake the tranquility of Albanians during the day and disturb their sleep at night. For at least 300 years, Russia, as a result of the West tolerating it, has done whatever it wanted in the Balkans. It was Russian policy in the Balkans that prevented the Albanians from creating their own independent state. The princedoms of the Bushatlinjs and of Ali Pasha Tepelena were virtual states, but Russian policy forced the Turkish Sublime Port to prevent their existence in order for the Slav states to be created instead. The West did not help the Albanians. Later, in the time of the Albanian League of Prizren, the West again made many concessions to the Slavs and the Greeks. The same thing happened in 1919, 1920, and after World War II, when the West abandoned Albania to its fate.

[Hasani] Then the West must be as guilty as Russia?

[Baleta] No, not so much as Russia, because Russia helped the Greeks and the Serbs directly. Nevertheless, the West, through its policy, has had a negative effect. Abandoning Albania to the communist sphere was the work of the West. Even after the rift with the communist bloc in 1960, the West did not make any great effort to undermine communism in Albania. Thus, I am afraid that, before adopting such a position, Russia must have ensured the West's tacit acquiescence. [passage omitted]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

SDS Parliamentary Group Against Forming Cabinet

AU1509180894 Sofia Khorizont Radio Network in Bulgarian 1600 GMT 15 Sep 94

[Text] Today the parliamentary group of the Union of Democratic Forces [SDS] voted against forming an SDS government within the current parliament's term of office.

Following the group's meeting, Deputy Georgi Markov said that this would mean the end of the SDS and amount to betraying the nation. Stefan Savov, leader of the SDS parliamentary group, said: We will fulfill our constitutional duty, and when the president invites us, we will go to receive the mandate, because written responses are not valid. Savov added that today's vote was a preliminary one and will be followed by a further vote when the SDS actually receives a mandate to form a government.

SDS Leader Dimitrov Cited on Cabinet Situation

AU1509184594 Sofia DEMOKRATSIYA in Bulgarian 12 Sep 94 pp 1, 3

[Report on statement by SDS leader Filip Dimitrov on the "Panorama" television program; date not given: "Filip Dimitrov: Loyalty to SDS Is Loyalty to Bulgaria's Cause"]

[Text] I will not form a cabinet in this parliament, Filip Dimitrov, chairman of the National Coordinating Council of the Union of Democratic Forces [SDS], said categorically in the "Panorama" television program. From a purely political point of view, the SDS could benefit if someone decides to form a new cabinet. However, the SDS also realizes that if this style of governing continues (and that it cannot change against the background of the existing parliament), this would be too cruel for Bulgaria, Mr. Dimitrov pointed out. He stressed that the people in our country have exceptional problems and that if the situation is prolonged for another year, the people will suffer even more.

Signing the SDS political agreement is an exceptionally important fact in the country's political situation, Mr. Dimitrov said. Regardless of all attempts to deny this, it must be remembered that the SDS is the only hope for improving the situation. Bringing about a certain order within the SDS by clearly formulating certain principles, which have been questioned by some of our colleagues, facilitated the work of the SDS, Mr. Dimitrov pointed out. This agreement demonstrated our commitment to Bulgaria's real problems, while the commitments included in the programmatic materials clearly indicated the SDS' priorities. It was clear to everyone that in recent months, a certain tendency on the part of people or groups within the SDS was evident. This tendency coincided with the line of the leadership of one of the parties in the SDS—the Democratic Party—namely, to revise everything that the SDS has stood for in the past four years. There is no reason for such a revision. On the contrary, all our forecasts proved correct, Filip Dimitrov said categorically. He pointed out that the SDS' efforts to remove the Berov cabinet proved fruitful. The no-confidence motions and the parliamentary boycott, which was unjustly attacked and vilified, produced this natural result. There is no reason for a reassessment, the SDS leader pointed out. Those who are interested in such a reassessment are pursuing their own goals and do not belong in a political force that upholds its principles. A large number of Democratic Party representatives at the national conference supported the opinion of the majority rather than the opinion of their leadership, Filip Dimitrov recalled. In many parts of the country, this party's structures understand that loyalty to the SDS is loyalty to Bulgaria's cause.

According to the Constitution, a mandate to form a cabinet can be granted to a parliamentary faction. It is a different matter when a parliamentary faction decides to act in an way that contradicts the activity of the political force that sent the faction to parliament. This will produce the appropriate consequences. This is how Mr. Dimitrov answered a question regarding whether the SDS National Coordinating Council would claim a mandate to form the cabinet. He thinks that the meeting with the president should not affect the behavior of the parliamentary faction. According to him, the differences between the blue [SDS] deputies and the National Coordinating Council are strongly exaggerated. Some of the faction's members and its leadership indeed demonstrate such differences, but the issue will be resolved by the entire faction, Filip Dimitrov said, and added that he has no doubt as to how the issue will be resolved.

In the talks with the president, the SDS as a political force will express its assessment of the situation in the country and its view as to what could help Bulgaria, Mr. Dimitrov said. He thinks that the procedure envisaged by Article 99 of the Constitution should not be prolonged. The talks must be conducted as soon as possible. According to the Constitution, this is all part of the president's prerogatives, the SDS leader said. It is up to him whether the period of talks should be extended or not. I hope that he would understand the position of the SDS, Mr. Dimitrov said. Every delay is inadmissible if we want to do something positive for the development of the socioeconomic situation.

According to the SDS leader, the assumption that someone interested in effecting anticonstitutional acts will be deterred by constitutional amendments is wrong. He said that the SDS National Coordinating Council has not issued an opinion on this matter so far. The proposal to extend the mandate of the outgoing cabinet under the form of a caretaker cabinet will be interpreted by the SDS as a coup attempt, Mr. Dimitrov said. This will prompt propaganda actions related to rumors that the deputies want more money, Mercedes cars, and most of all—to prolong their tenure in parliament. The Communist Party can afford this because the formula "they all

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

are scoundrels" does not disturb it. The SDS does not want to be put in the same category as this party.

We have often been accused of declaring what we intend to do, Mr. Dimitrov said in conclusion. We do this precisely because we uphold principles that are important for Bulgaria. So far, the SDS has proven that it prefers open positions rather than machinations.

Zhelev Views Cabinet Formation Talks, SDS

AU1509115894 Sofia 24 CHASA in Bulgarian 12 Sep 94 p 8

[Interview with President Zhelyu Zhelev by Yovka Dimitrova "at the Bulgarian National Radio building;" date not given: "Zhelyu Zhelev: Caretaker Prime Minister Must Not Be Politician"]

[Text] [Dimitrova] Mr. President, the Constitution does not designate a date by which you must begin the talks on forming a new cabinet. When do you intend to begin those talks?

[Zhelev] We will see.

[Dimitrova] But everyone is waiting for you to begin the talks. The Socialists already postponed the plenum at which they were expected to decide their position on forming a cabinet, because they expect you to give them a mandate to form the new cabinet first.

[Zhelev] Let them wait a bit longer.

[Dimitrova] Do you expect that matters between you and 134 Rakovski Street [the headquarters of the Union of Democratic Forces—SDS] will improve as a result of your meeting with Filip Dimitrov, which will take place today?

[Zhelev] This depends on many things, not only on me. It depends on the other side, and on other circumstances.

[Dimitrova] Will you accept the advice of Stefan Savov [Democratic Party leader], who recommended on Friday [9 September] that you not appoint a political figure with commitments to state institutions as caretaker prime minister? He specifically mentioned Dimitur Ludzhev and Ivan Pushkarov in this context.

[Zhelev] It makes sense to appoint a person without any political affiliations to the post of caretaker prime minister. However, he must be strong enough, because political tension increases greatly during elections.

Commentator Views Possible Zhelev-SDS Deal

AU1509122794 Sofia KONTINENT in Bulgarian 11-12 Sep 94 p 4

[Commentary by Yakov Baruch: "Emissaries Plan Deal"]

[Text] Filip Dimitrov, who for a long time was not on speaking terms with the president, sent emissaries to Zhelev to set up a meeting between them. This formal ritual aims at sounding the possibility of making a deal on the basis of the principle "I scratch your back and you scratch mine."

Feeling a bit insecure after losing some control over the parliamentary faction of the Union of Democratic Forces [SDS], the leader of the SDS National Coordinating Council strives to separate as soon as possible the deputies' behinds from the parliament seats. The means he plans to use—immediate parliamentary elections.

This is the plan. It has been suggested to the president that he not waste time granting mandates to form a new cabinet, reduce to a minimum the period of behind-the-scene talks with the people's representatives, amend the Election Bill, and do some other things from which the SDS might benefit. More specifically, the goal is to deprive the deputies of any time. In exchange the president will gain a new ally—Filip Dimitrov and his circle—who will support him in his efforts to prevent amending the Constitution in anything related to the caretaker cabinet functions. Furthermore, if the president proves amenable, he would be offered a blue [SDS] shoulder to support his shaky political rating.

The president was shrewdly given three days to make up his mind. The emissaries completed their mission.

Will the deal materialize?

Parties Urged To Reject Mandate, Hold Elections

AU1509193494 Sofia KONTINENT in Bulgarian 13 Sep 94 p 4

[Commentary by Rumyana Bratovanova: "Great Clattering"]

[Text] The great clattering had already begun with the president's meetings on 12 September—first with the deputies and then with the leader of the Union of Democratic Forces [SDS]. With this "gambit," the consultations on forming a cabinet have actually already begun, despite the fact that they will officially begin today. While Zhelev was testing the patience of the Bulgarian Socialist Party [BSP], the BSP for its part called upon Berov to keep a tight rein on the outgoing cabinet. Rumors circulated according to which Zhelev was about to leap over the BSP and entrust the SDS with forming the cabinet. However, Zhelev will not violate the Constitution because of the BSP, which indeed will be the first to receive a mandate to form a cabinet. The BSP has plenty of time. It will hold a plenum, issue statements, and so forth. Time is on its side.

Things in the SDS are more complicated. The time there will be stretched and compressed according to the third phase of the Savov-Dimitrov duel. It is not certain whether Dimitrov will succeed in ousting Savov from his post as leader of the SDS parliamentary faction prior to

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

eventually receiving a mandate to form the cabinet, and it is not certain whether Savov will reject such a mandate.

There will be a great clattering on the presidential gates also on the part of the small parliamentary factions and extraparliamentary parties, as well as the trade unions and business partners. However, it is the political entities specified in the Constitution that carry the responsibility. If they want to keep to their word about supporting new elections and if they understand that the political time runs contrary to the calculations of the National Assembly members, they should immediately reject the mandate to form a cabinet, thus prompting new elections. No one wants to observe again their "rhythmic gymnastics" in the cabinet games.

Daily: Reactor Not To Receive Safety Clearance

AU1509184894 Sofia DEMOKRATSIYA in Bulgarian 12 Sep 94 pp 1, 2

[Text] Sofia—Only if the Kozloduy Nuclear Power Plant "does its housework" will it receive a permit for operation. This was the categorical statement made by representatives of the control body—the Committee for Peaceful Uses of Atomic Energy. Translated into the language used by the specialists, this means that permission will only be granted to start up the plant's generating units if the required repair and maintenance program has been completed. The main tasks of the program are to update the units and increase the level of operational security. "Our country has assumed a number of important international commitments concerning security, and we will not close our eyes if the essential requirements are not fulfilled," a senior official of the Committee for Peaceful Uses of Atomic Energy told DEMOKRATSIYA. According to the official, the committee appreciate that as regards its monitoring function, it also bears an immense responsibility toward the Bulgarian people by guaranteeing their peace of mind and security. Excuses citing lack of money will not save the skins of either the National Electricity Company or the Kozloduy Nuclear Power Plant itself. Informed sources assert that the plant needs to obtain financial independence as soon as possible so that it can allocate its funds as it wishes and look after its own operational security. Energy experts recall that it was known as long ago as June that funds have been provided only for 17 percent of the program of essential repairs. Even at that time, it was well-known that this is completely inadequate.

The well-founded threat issued by the Committee for Peaceful Uses of Atomic Energy is well on the way to being implemented. DEMOKRATSIYA has learned that the repair program for the No. 4 nuclear generating unit is ending, but the committee will not issue an operating permit for it. The point at issue is not that the Kozloduy Nuclear Plant has to convince the experts that the 440-megawatt reactor will operate normally, but that the plant has to present convincing proof that the required standard of security has been attained by the repair program. It is very likely that other reactors will also share the fate of the No. 4 unit.

The arguments put forward by the Committee for Peaceful Uses of Atomic Energy are unbending. Our country has signed a number of conventions. On 19 September, we will be among the first countries to sign the new Vienna Convention on Nuclear Security. This means that the regular annual reports on the operation of our nuclear power industry that the state control body will be available at any time to any state that wants to see them. A responsible representative of the Committee for Peaceful Uses of Atomic Energy told DEMOKRATSIYA that the committee is responsible for any discrepancy in the reports from the actual situation and will therefore take proper steps, even including shutting down the reactors if the nuclear plant fails to satisfy the necessary conditions. He added that compromises are out of the question because if—God help us!—anything should happen, apart from any injuries to the population, the country will not have the money to pay the immense fines that the international bodies will inevitably impose.

The following fact clearly illustrates the attitude of the outgoing government to the energy industry's problems. This year, instead of allocating 120 million leva to a special fund for operating nuclear reactors and rendering them safe at the end of their projected period of service, Finance Minister Stoyan Aleksandrov refused to make the money available and put it in the general state budget. Experts comment that a furor was raised about two drums of nuclear waste illegally buried at a Sofia institute, yet no one is giving a thought to the hundreds of metric tons of nuclear waste from our nuclear power plant.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Constitutional Court To Review Benes Decrees

94CH0415A Prague PROGNOSIS in English 31 Aug 94 p 6

[Article by Chandler Rosenberger: "History on Trial"]

[Text] *In a landmark case, the Czech Constitutional Court will decide whether the postwar nationalization of German and Hungarian property was a violation of human rights.*

Czech history goes on trial next month. In the docket: the post-World War II, democratically elected government of Edvard Benes. The charge: ethnic cleansing of Sudeten Germans and Slovak Hungarians.

From 1945 to 1947, Benes's government, under the watchful eyes of the Allied occupiers, executed "population transfers" of Germans and Hungarians by decree. All of the decrees, proclaimed when Benes returned from exile to be president in 1945, were later confirmed by Czechoslovakia's first postwar elected the parliament.

Four of them hit the Sudeten Germans and Hungarians particularly hard. According to decree No. 5 of May 19, 1945, "Germans, Hungarians and other collaborators" could be denied the right to hold property. Decree No. 12 allowed for the seizure of agricultural land held by ethnic minorities. Decree No. 33 (Aug. 2, 1945) stripped Hungarians and Germans of their Czechoslovak citizenship. Decree No. 108 (Oct. 25, 1945) extended property seizures to all "movable and unmovable property." In theory, the subjects of the transfers and expropriations could challenge the rulings by demonstrating that they had actively opposed the Nazis. But in actuality only a handful were allowed to.

The 50-year-old Benes decrees will face their first serious legal test in September, when Rudolf Dreithaler, a Czech citizen of Sudeten German origin, takes his case to the Czech Republic's Constitutional Court. Dreithaler, 49, will argue that the decrees violated and violate his human rights, since his parents were deprived of their property on the basis of their nationality. Dreithaler will also argue that the decrees were a breach of the 1920 Czechoslovak Constitution, which was in effect at the time. Moreover, he will argue that the decrees, which remain on the books, violate the Czech Republic's new constitution.

At stake in this case is far more than the small building in downtown Liberec that Dreithaler wants returned to him. If successful, Dreithaler could open the door for the 2.5 million Germans (and their heirs) who lost property between 1945 and 1947. The case, it is argued, could be the first step toward pushing back the date enshrined in current Czech restitution legislation, which only allows claims on property seized after the Communist takeover of Feb. 25, 1948. Today only Jews who lost their property under the "Aryanization laws" of the German occupation are allowed to challenge state seizures that occurred before the 1948 date.

To modern ears, the decrees sound so harsh that it may surprise one to find that they are still on the books. Are they really the only finger in a dike holding back a flood of German restitution claims? If not, were they justified at the time and are they an important symbol of Czech sovereignty today? Or are they a part of this century's totalitarian horror that ought to be expunged?

Pandora's Mythical Box

First there is the legal question: Would annulling the decrees, either by passing a law in the parliament or overturning them in the Constitutional Court, make it easier for Sudeten Germans to reclaim property under the Czech Government's restitution process? Czech Premier Vaclav Klaus has said the decrees cannot be annulled because they are an "organic part" of Czech law.

But passing a law in the parliament to annul the decrees might have quite different consequences from them losing a test in court.

A legal expert close to the case (who insisted on anonymity) has argued that the parliament could easily annul the decrees without opening a Pandora's box of new restitution claims. True, the Czech Constitutional Court is a "European"-style, or Roman Law, court. That means the court can and must assess whether challenged laws are compatible both with the constitution and with existing law. Since the Czech Republic has adopted a host of laws defending individuals from persecution based on nationality, the Benes decrees, which refer explicitly to nationality, could easily be found wanting in the Constitutional Court.

But that does not mean the parliament would risk making Sudeten restitution claims easier if it decided to annul the decrees. The Czech Constitution, like the Austrian one, is valid *ex nunc* ("from here on"), not *ex tunc* ("from the thing itself"); therefore the parliament can annul a law without casting doubt on the legal consequences of its previous enforcement. The only consequence would be that the law would no longer apply in the future.

It's easy to see how this would apply in the case of a parliamentary annulment of the Benes decrees. From here on the state would not have the right to claim the property of Sudeten Germans. But neither could Sudeten Germans who lost property reclaim it on the basis of the decrees' annulment. Like all other beneficiaries of restitution, they would need separate legislation positively restoring their property to them. Perhaps annulment of the decrees and acknowledgment of their impropriety would put new political pressure on the Czech parliament to pass another round of restitution laws, this time returning property to Sudeten Germans and Hungarians. But it would not make the government's legal position any weaker.

Dreithaler was one of the few Sudeten Germans to keep his passport, so the court will rule on how one of its own

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

citizens was treated. Certainly the Czech Constitutional Court would have an easier time dismissing Dreithaler's claim if the Benes decrees were no longer on the statute books. There may be a legal means by which the court can use the *ex nunc* principle to extract itself from difficulty. But if Dreithaler convinces the court that the Benes decrees unfairly bolster the current Czech Government's choice of Feb. 25, 1948, as the cutoff date, then he can use the decrees' presence on Czech law books as evidence the government is unfairly discriminating against him by choosing that date rather than an earlier one.

Collective Guilt: Right or Wrong?

It is obviously improbable that every German expelled was a collaborator. In the 1935 Czechoslovak elections, the pro-Nazi Sudeten Party of Konrad Henlein won 68 percent of the German vote. The remaining 32 percent was divided among the Social Democrats, the German Agrarian Party and the Czechoslovak People's Party, all of which expressed loyalty to the Czechoslovak state.

Perhaps the most famous example of injustice was the Czechoslovak state's seizure of lands from the von Lichtenstein family. Though the principality was one of the few states in the world to oppose the 1938 Munich agreement, von Lichtenstein family members in the Czech lands were inaccurately classified as "Germans" and deprived of some 160,000 hectares of property.

It is equally improbable that only Germans and Hungarians were Nazi collaborators. Bohumil Hrabal was not merely drawing on his imagination when he sketched the Czech fans of Hitler in his novella "Closely Watched Trains"; the Nazi regime carefully cultivated the Czech extremist group Vlajka ("Flag") to put pressure on the Protectorate government of the German-occupied Czech lands. Of course Czech collaborators were tried and often hanged. But why couldn't Germans and Hungarians have been given the same discriminating justice?

Those who oppose the Czech "lustration law" banning former Communists from office and yet support the Benes decrees ought to look deeply into their hearts. It is surely possible to support lustrace and oppose the Benes decrees, since lustrace picked out only high-ranking Communist officials and then only denied them the right to serve in the civil service and state industry. But it is impossible to support a law that meted out harsh punishment to people with the bad luck to be born German and then oppose lustrace because it is based on "collective guilt."

However flawed and irrelevant the Benes decrees are, some answer, they cannot be annulled, since that would weaken the moral inheritance of the current Czech Government. Legally, the government is heir to every previous Czech regime, including the Communist one (the Protectorate government of the Germans in World War II is considered an occupying force). Morally, the current Czech Government identifies with every democratically elected government, and especially Benes's, which endured exile.

"Were the Germans 'expelled' or 'transferred?'" asked Oldrich Horak, president of the Club of Czech Borderland Dwellers in Usti nad Labem. "It was approved by an elected parliament. No one has the right to change that."

How admirable the Benes government was is a huge question in itself; the history of asking that question is no less interesting. The debate over the validity of the Benes decrees began during the Prague Spring of 1968 and was continued in *samizdat* publications printed secretly and illegally. For example, Jan Mlynarik's underground paper, "Theses on the Expulsion of the Czechoslovak Germans," argued that since population transfers were the specialty of totalitarian regimes, the Benes decrees marked Czechoslovakia's first steps into dictatorship.

While defenders of the decrees are a dime a dozen among ex-Communists, it is very difficult to find a former dissident without his or her doubts. That alone ought to tell you something. Maybe the Benes government is not one contemporary Czechs should wish to identify with.

Cultural Costs of Expulsion

Then there is the question of whether the Czech Republic should not mourn the cultural loss it suffered by expelling its Germans. But in expelling all Germans rather than executing some, what did the Czech Republic lose?

"The Czech lands—Bohemia, Moravia, Silesia—this part of Europe was cultivated by three ethnic elements: Czech, or proto-Czech; German, or proto-German; and Jewish," said former dissident and historian Vilem Precan. "And what happened between 1938 and 1945 was a watershed, [the end] of a whole history that had been going on for 800 years. We lost our Jews, then we—what is 'we'?—got rid of our Germans. And the Czechs stayed here alone in their proud solitude, but we don't know what we lost, even today."

Do the Czechs want to know? Do they want to remember that Frantisek Palacky, their celebrated national historian, believed the Germans to be a crucial part of the Bohemian identity? Or do they want to follow the simplistic chauvinism that both Klaus and Miroslav Sladek's extremist, anti-Semitic Republic Party espouse?

An honest assessment of national identity is at stake. Annulling the Benes decrees would be the first step to maturity, to recognizing that the Czechs too can make mistakes. Given how little practical impact an annulment would have, it would be a cheaply acquired gain.

The alternative, one should remember, is far worse. If they stay settled behind their blinders and blame their whole modern history on the Germans and the Russians,

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the Czechs will never gain the real sovereignty that comes from knowing oneself.

'Bread-and-Butter Issues' Dominate Campaign

94CH0415B Prague PROGNOSIS in English 31 Aug 94 p 4

[Article by Randall Lyman: "What's Big at the Polls? Cars, Criminals and Rent"]

[Text] Czech voters are likely to be thinking about problems close to home when they go to the polls Nov. 18-19 for the country's second municipal elections since the fall of communism.

While abstract issues like administrative reform and the creation of a Senate dominated political debate during the first half of 1994, more concrete problems like housing, transportation and crime will dominate party agendas in the fall, reflecting the most commonly voiced public concerns.

From the Civic Democratic Party (ODS) on the right, to the Communist Party on the left, party spokespersons fingered housing policy as the main issue in larger cities, where renters outnumber private homeowners and the restitution of apartment buildings is bringing many renters into conflict with their new landlords.

The management of former state property now owned by local governments ranked first among concerns for towns and villages.

But leaders of leftist and Christian parties also named crime, education, transportation and the environment as key issues and said they would be introducing bills in the coming months. "We will propose that a fund to aid victims of crime be created," said Christian Democratic Party (KDS) spokesman Ondrej Turek.

According to a June poll by the Institute for Public Opinion Research (IVVM), 28 percent of Czechs were victims of some type of crime in the previous year, up from 18 percent in November 1992. Half of Czechs and 69 percent of Praguers polled said they do not feel safe on the streets after dark. Nearly 60 percent of those polled said they have no confidence in the police.

In April, 99 percent of Czechs polled said they considered rising crime the country's most pressing problem. Housing problems and rent ranked only 13th, but were still considered serious by 78 percent.

Standard of living and social security ranked fourth and fifth. Three-quarters were unhappy with progress in these areas, and two-thirds said they thought the situation would not improve [illegible] the end of 1994.

Because bread-and-bu[illegible]ssues are often solved locally, voter turnout is expected to be high for the municipal elections. In June, 76 percent of eligible voters said they would definitely or probably go to the polls, which would be up slightly from the 73.5 percent who voted in November 1990.

In those municipal elections, Civic Forum, still fresh from overthrowing communism, won more than a third of the popular vote, and popular enthusiasm for taking part in public affairs was still high. More than 146,000 people—1.5 percent of the Czech Republic's population—ran for some 66,000 assembly seats in its 3,000 communities.

But Petr Moravek, vice chair of the Czech Social Democratic Party (CSSD), said the euphoria of that first post-revolution year has largely disappeared.

"The most capable people are now in private business," he said. By getting involved politically, "people risk losing their private lives and gaining little in return."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Celebrities Enter Election Campaign as Candidates

94CH0414A Prague PROGNOSIS in English 31 Aug 94 p 8

[Unattributed article: "Slovakia's Athletes in Action"]

[Text] With Slovakia's movie and television industry in a complete shambles, its actors are apparently looking to Ronald Reagan, America's former silver-screen star and President, as a role model. Several of them, along with journalists, athletes and even a chief justice of the country's Supreme Court, are running for office in the October elections.

Versatile Socialist-era actress Vera Gruberova, who appeared in productions of fairy tales as well as a soap opera, will run on the Democratic Union's (DU) candidate list, as will Vladimir Cerny, a character actor.

One-time Czechoslovak ski star Jana Gautnerova-Soltysova has been scooped up by the Movement for a Democratic Slovakia (HZDS), which is leading in the polls. She will symbolize the movement's support for Slovakia's bid to stage the 2002 Winter Olympics in the High Tatras. Jozef Pribilinec, 1988 Czechoslovak fast-walk champion, and Marie Durisinova, 1986 world champion handball team member, will run with the second-most popular party, the Party of the Democratic Left (SDL).

HZDS, headed by former Premier Vladimir Meciar, will include a host of journalists on its list. These include Bohus Geci, who served as editor of news radio station Radiozurnal. Geci's approach to coverage of Meciar's regime earned his station the moniker "Radio Meciar."

Supreme Court Chief Justice Jozef Stefanka, who will run as a candidate for the Christian Socialist Union (KSU), advocates the rehabilitation of the World War II-era Slovak fascist state and its President Jozef Tiso.

Culture Minister Lubo Roman apparently expects to lose his job after elections; he's on the list of Jan Carnogursky's Christian Democrat Movement (KDH).

Looking for a Friend

Even though Meciar's Movement for a Democratic Slovakia (HZDS) is far ahead in the polls (28.5 percent support in August), don't look for the party to take the reins of power too tightly even if it does well at the polls in October.

Actually, according to the daily PRACA, HZDS won't have much influence to throw around, considering the ever-growing number of bridges it has burned. A three-fifths majority in Parliament is needed to rule, meaning it would have to find a coalition partner. Its best bet would be the second-place former Communist Party, the Party of the Democratic Left (SDL), which has 15.6 percent support.

But HZDS is making a bid to remove SDL member Brigita Schmognerova from her vice premiership. HZDS has made failed bids for removal of leaders in each of the past half-dozen Parliament sessions.

Because of such stunts, SDL Vice Chair Milan Ftacnik said HZDS has made post-election cooperation impossible. The few hopes for HZDS—which on Aug. 14 adopted the slogan "Go Slovakia!"—lie in groups like the extremist Slovak National Party (SNS), which has only 5.6 percent in the polls, according to PRACA.

The worst part of all this, the paper concluded, is that if a coalition can't be cobbled together, a polarization of parliamentary forces might force new elections within a year.

The New Numbers

Since May, when the formerly Communist SDL joined forces with three smaller parties to form The Common Vote, its rating has been nearly constant. The coalition, steadily in second place in voter support, received 15.6 percent in an Aug. 3-10 poll by the Focus Agency.

The centrist-liberal coalition between the Democratic Union, headed by Premier Jozef Moravcik, and the Party of Businessmen (SPZ) polled at about 6 percent, a rating it has held since it formed in April.

The union of three Hungarian parties—Coexistence, the Hungarian Christian Democratic Party and the Hungarian Civic Movement—received 10 percent support from the poll's 1,087 respondents. Before the parties joined in July, the most popular party, Coexistence, polled at 8 percent.

The Movement for a Democratic Slovakia (HZDS) rose from 23 percent in May to 28.5 percent in August.

The Christian Democratic Party (KDH), chaired by former dissident Jan Carnogursky, remained steady from July to August at 8 percent.

The Focus Agency figures vary only slightly from polls by the state's statistical office, which also conducts a monthly poll. The largest discrepancy was that while Focus recorded 8 percent for KDH in July, the state found 12 percent support (the latter's August figures are not yet available).

Focus showed that support for the extremist Slovak Nationalist Party (SNS) dropped by about 1 percent to 5.8 percent. The Slovak daily SME speculated that SNS lost some political steam when one of its recent bread-and-butter issues—opposing a law on allowing Hungarian-language road signs in areas with large Hungarian populations—passed in early July.

Almost 26 percent respondents said they might change their minds before voting, and 68.7 percent said they probably won't.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Trade Ministry Ready for End to Yugoslav Embargo

AU1509193594 Budapest NEPSZABADSAG in Hungarian 14 Sep 94 p 6

[Report by unidentified correspondent: "The Ministry Is Ready for the End of the Embargo"]

[Text] The possibility of easing or partially abolishing the embargo against rump Yugoslavia instituted at the beginning of 1992 also affects Hungary. Hungary has lost more than $1.5 billion since the beginning of the embargo, and the United Nations and the world financial organizations have not provided any compensation to Hungary. However, the Ministry of Trade is expecting a possible abolition of the embargo in a prepared way, and the expert level preparation of a bilateral trade agreement has also been concluded.

According to data provided by foreign trade officials, Hungary lost the equivalent of $1.4 billion between 3 June 1992—the day the anti-Yugoslav embargo was declared—and 31 December 1993, and this sum has only increased since the end of 1993—Mrs. Koves Judit Schmidt, head of a department at the Industry and Trade Ministry, summed up the situation. This sum partly originates from damages incurred by the transit ban, because our exports to the Middle East and the Far East can only reach their destinations with extra expenses, including the extra expenses incurred by the forced delays at the various ports. The United Nations, which declared that it has no funds for such cases, called upon the international financial institutions to help alleviate the damages; however, the only thing that happened was the visit of two IMF delegations in Hungary to discuss the interpretation of the losses suffered by the blockade. It is a positive thing that the supply of UN troops stationed on the territory of the former Yugoslavia with fuel takes place through Hungary, and goods for the refugee camps and for the aid transport of international organizations are sometimes purchased in Hungary.

Hungary's trade with rump Yugoslavia was close to $300 million in 1991, the last year of peace, and Hungarian exports took the lead in this exchange of goods. A considerable part of our imports was connected to various production cooperation projects. The amount of frozen debts to Hungary is quite substantial: For example, the Yugoslav Railroad owes the Hungarian Railroad $70 million. The size of unpaid bills is also substantial, while goods worth about $20 million got stuck in Yugoslavia.

It is worth mentioning that our trade with Serbia made up more than 50 percent of our entire trade turnover with Yugoslavia in 1991, a turnover of $700 million. The same applied to the more than 40 cooperation agreements between the two countries. It is not accidental that Trade Ministry officials thought we should not give up the existing enterprise contacts. They also urged the enterprises to make use of the possibilities allowed by the United Nations, like the supply of medicine and food. Trade experts of the two countries meet several times a year, and the expert level preparation of a bilateral trade agreement has already been concluded.

According to Mrs. Koves Judit Schmidt, one can also see that there is no effective demand in rump Yugoslavia nowadays. In other words, only firms with a strong capital can count on any success, firms that can also export goods on credit. However, they cannot count on any help from the banks. They can have a chance, however, of quickly reaching the level of trade prevailing in 1991 mainly by making use of barter opportunities in the event of a possible abolition of the embargo.

Poll: Most People Consider MDF Divided Party

AU1509133094 Budapest NEPSZABADSAG in Hungarian 12 Sep 94 p 4

[Unattributed report: "Evaluation of the Hungarian Democratic Forum"]

[Text] On 8 and 9 September, Szonda Ipsos carried out a telephone survey of the adult urban population on the current situation of the Hungarian Democratic Forum [MDF] and on this party's chances for renewal. The main results of the survey were aired on Hungarian Television's "A Het" program on 11 September.

The majority of the urban population thinks that the MDF is more divided than united; at the same time, most people regard the MDF as suitable for the role of leading opposition force in parliament. The characteristic view among the people surveyed was that the MDF has a long-term chance of increasing the number of its supporters.

About one-fourth of the people surveyed (27 percent) regard the MDF as a united party; the majority, or 67 percent, think it is more characterized by division. The MDF supporters' opinion differs greatly from the above percentage: According to 54 percent of the MDF supporters, the party is united, and 56 percent think that even in its current state it is suitable to be the leading opposition party in Parliament. Opposing this view, 19 percent of the people think that the MDF will only be able to fulfill this role in a few years' time, while 23 percent think the MDF will not be able to fulfill this role even then. However, the MDF supporters almost unanimously claim that the MDF is suitable to lead the opposition in parliament.

According to 43 percent of the urban population, the MDF will fare the same in the local government elections due at the end of this year as it did in the parliamentary elections in May. However, 31 percent think the MDF will achieve better results now than in May, and only 18 percent think that support for the MDF will be smaller. MDF supporters are much more optimistic and 62 percent hope that the party will improve its position. Forecasting the parliamentary elections scheduled for 1998, the urban population also gives the MDF greater

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

chances: According to 45 percent, the MDF will fare better than in May this year. Some 34 percent think that the MDF will achieve similar results, and only 10 percent think that the MDF will achieve worse results. MDF supporters have confidence in the renewal of the party, and four-fifths of the supporters expect better MDF results in 1998 than in 1994.

The people surveyed are almost unanimous in thinking that the MDF will make it into parliament in the next elections. According to 44 percent, the MDF will be one of the key parties in parliament, and 7 percent think it will have the largest number of deputies. However, 39 percent of the urban population think that the MDF will only play a smaller role in the next parliament. According to MDF supporters, their party will get into a more favorable position; 26 percent count on an MDF victory in the next elections, and 64 percent predict a decisive parliamentary presence for the MDF. Supporters of the current government parties, and especially the supporters of the Hungarian Socialist Party [MSZP], regard the MDF's current situation more critically than the average, and they also give the MDF less chance of being able to renew itself.

MDF Risks Becoming 'Insignificant' Party

AU1509193794 Budapest UJ MAGYARORSZAG in Hungarian 14 Sep 94 p 4

[Commentary by "papp": "It Has To Be Said Openly"]

[Text] Supposedly, a new chapter has begun in the Hungarian Democratic Forum's [MDF] vexed history—at least this is what was claimed by the party's leading politicians at the national meeting last weekend. However, the delegates are well aware that the situation is somewhat different, and people who are very familiar with the events of the MDF's past few years are expressing their observations with concern: Almost nothing has really changed, dissension into many directions is still alive, interest groups are constructing their protective camps with stubborn zeal, the general crowd is disappointed, people are not satisfied with the activities of those who gained their mandates from the national list, and—I write this reluctantly—it seems that the MDF will not be a determining political force for a long time to come. This could have unforeseeable consequences.

Many people will be upset about this article, but I do not mind. It is a crime to conceal the facts, and it would not be useful to praise irresponsibly the MDF just because I work for UJ MAGYARORSZAG.

The MDF cannot—or does not want to—find a new way. It is unable to change radically the routines of the past. It was strange to see the delegates talking at the conference, waving their Hungarian Justice and Life Party ties, and it was strange to see the exhibitionism of the MDF's inner circles [holdudvar], who, through their irresponsibility, had instituted the MDF's election defeat well in time. It was also strange to hear people from the provinces say that they do not agree with the country tours of some members of the executive committee who are trying to gain support for 29 October [election of executive committee] because they are insisting on their already acquired positions.

It is typical of the MDF's unity that a document to be leaked was offered to journalists before the end of the national congress. I could have misused the situation and could have even been proud of getting all the glory for first publication. However, I am very much bored with exclusive materials on the MDF's internal affairs; therefore, I was not and will not be interested in this issue.

It is not enough to simply declare the need for making the party younger; this also has to be implemented. It is not enough to announce that the MDF is a center-right party; this has to be proved by words and deeds.

Will the MDF have a prime minister candidate at all in two years? If it does, who will be the person with whom elections can be won?

I risk to say that I am afraid: After the next parliamentary elections, the MDF will turn into an insignificant party.

Jurists Group Issues Charter on Minorities

AU1409185594 Budapest MAGYAR NEMZET in Hungarian 9 Sep 94 pp 1, 5

[Interview with Vilmos Meszaros, chairman of the Independent Lawyers Forum, by Lilla Rist in Budapest on 8 September: "Charter on Protection of National Minorities"]

[Text] *After almost two years of work, the Independent Laywers Forum formulated the national minority charter on the protection of ethnic and national minorities, a charter presented at the conference of the European section of the International Confederation of Jurists that opened in Budapest on 8 September. We asked Vilmos Meszaros, chairman of the Independent Lawyers Forum, about the main ideas and proposals of the charter.*

[Rist] For Hungary, the national minority issue has always been a two-sided issue; it emerged on the side of the national minorities living in Hungary and on the side of the ethnic Hungarians living in the neighboring countries.

[Meszaros] We did not work out the national minority charter by considering the fact that there are Slovaks living in Hungary and there are Hungarians living in Slovakia, because there is a huge difference between the two, particularly regarding their numbers. Instead, we primarily focused on Europe in working out the charter, and we tried to determine the generally accepted concept of minority. Several persons have tried to do this already, and probably our attempt is not perfect either.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Rist] In your view, how can one define the national minorities?

[Meszaros] It is a basic principle that everyone can regard himself as belonging to a national minority on any basis, be it racial, ethnic, or national consideration. However, it is not sure that it is correct only to take these factors into consideration. In a given case, importance should be given to the size of the minority population in the given country, whether they have an individual history and tradition, and especially whether the minority in question is living in a compact bloc or scattered groups. It is also important to know whether the national minority in question formed an independent statehood in the course of history, or they found themselves within the boundaries of another state as a result of wars and peace treaties.

[Rist] Have you decided the national minority rights by taking these factors into consideration?

[Meszaros] We divided the rights into three groups: individual rights, collective rights, and autonomy. The differentiation of individual and collective rights is customary in international law, but we did not attribute an exaggerated importance to this, because one can hardly be understood without the other. The most important one is autonomy. The countries striving to create a homogeneous national state have the greatest aversion toward autonomy. But a homogeneous national state is a dream. They should give up the dream of creating such a state; this is not the correct means of protecting national minority rights. We think that, in places where minorities are living in greater numbers and in a compact bloc, they should be given the opportunity to choose between the status of co-nation and minority status, two things that completely differ from each other. Co-nation means even more than autonomy (Switzerland could be mentioned as an example). If the given ethnic or national minority chooses the co-nation status, they will participate in every decision, and will have independent and collective responsibilities. At the same time, they lose their national minority rights: For example, they cannot demand positive discrimination generally declared in national minority rights. However, there might be ethnic groups that find this suitable. For example, the Coexistence political movement in Bratislava carried out quite serious research on the co-nation status. This is their goal, and the choice is their right of decision. The domestic population and politics in Hungary must accept the endeavors of the ethnic Hungarians in Slovakia. We cannot decide on others without consulting them, because we cannot know their situation better than they themselves.

[Rist] This means that you formulated in the charter that larger national minority communities that live in a group should be given autonomy.

[Meszaros] Yes, but we did not use the words "must" or "necessary;" the autonomy only appears as a proposal.

[Rist] What will be the fate of this charter?

[Meszaros] Our intention is to see to it that European public opinion is aware of it. The ideas formulated in this charter—ideas that even exceed several stipulations of the agreement on the protection of human rights signed in Rome—should take root in the international legal public opinion. And if these ideas get into the political sphere through the international jurist organizations, we have not worked in vain. Even if no one will ever sign this charter but its stipulations and ideas get into an international agreement, our work has not been superfluous. We will be particularly happy if these proposals are considered obligatory in some areas of any national minority.

Situation, Prospects of Local Governments

94CH0395A Bratislava UJ SZO in Hungarian
9 Aug 94 p 4

[Interview with Lajos Szabo, director of the Interior Ministry Local Government Department, by "Reka"; place and date not given: "The Local Government System Is Working; Lessons Learned Suggest the Law Needs Revision"]

[Text] *The local elections are expected to be held in November, but before they can take place certain changes will need to be made in the local government law. The reconciliation of positions is already well under way, as we have learned from Lajos Szabo, head of the Interior Ministry's main department for local governments. We asked the expert to give us a brief assessment of the local governments' performance, and to tell us about the changes to be expected.*

"In four years, the local government system has been a reflection of the vitality of local communities," said the main department head. "The representative bodies and the efforts of the populace in particular are bursting with creativity and imagination. I do not believe that it would be flatulent of me to say that we consider the work of the local governments to have been one of the greatest successes of the system change. The level of local government activity and their close cooperation with parliament and the government deserve special praise. I believe that the results achieved are attributable directly to these factors."

New Role for the Counties

[Reka] This is the positive side of the situation, but there have also been some problems. They have brought into focus the need to change our local government law.

[Szabo] The local government law was drafted in 1990, without any experience. Everybody acknowledges that it is a liberal law, a statutory regulation that provides a good framework for the functioning of local governments; however, it is also true that in the meantime some problems have also surfaced. The Constitutional Court has also ruled, for example, that the distinction drawn

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

between open and closed meetings was unclear. The relationship between the mayor and the local council, and between the mayor and the notary office, was also ambiguous. All of these things will need to be better defined before the elections.

[Reka] The midlevel administration has also not been functioning properly.

[Szabo] The reason is that the role of the counties had been poorly defined. In the future, the county local government will play the role of midlevel administration without any role in the allocation of funds. Their task will be to help local governments assert their autonomy, and to play a greater role in the maintenance of institutions providing regional services. It would be practical, for example, if they took over from small towns the responsibility of running hospitals, vocational schools, and institutions with special curricula. Beyond that the county local government will not have a role in regional development. The government program calls for the forming of a development council, which in cooperation with the local government would be responsible for implementing regional development projects.

Eliminating Overlaps

[Reka] How will the strengthening of the counties' role affect the future of organizations that will be consequently decentralized?

[Szabo] In every county there are about 35 decentralized organizations. Their functions were partially reviewed last year, on the basis of which we could conclude that there are several offices that can be integrated, in part, in the county local governments, and in part, in the county administrative organizations. We feel that we definitely must eliminate overlapping functions by merging, at least partially, some of the decentralized organizations. For it is nonsense to have three, four, or five separate organizations working on protecting air quality. It would be appropriate to merge their functions, and if necessary to commission one or two labs to assist them.

[Reka] And what about the office of the republic's representative?

[Szabo] According to the plans these will be changed from being regional organizations to serving as county administrative offices. Legal oversight over the activities of the local governments will continue to be the responsibility of these organizations.

Advantage of Notary Offices

[Reka] In Vas county the apparatus currently operating in the various settlements is twice the size of the former local council system. Is this not detrimental to the quality of public services?

[Szabo] The option of making notary offices mandatory and the improvement of the quality of public services will be included in the 1995 draft amendment because it is not strictly related to the current elections. Otherwise I agree with the criticism; we must indeed work to improve the quality of our public services. There is no need to maintain a separate mayor's office in every one of our 3,100 local governments. Our position is that in settlements of 1,000 or fewer inhabitants notary offices need to be established to improve the quality of public services. This does not mean the merging of representative bodies, for those will be allowed to continue to work independently.

[Reka] The expert arguments are unequivocally behind the establishment of notary offices, but will the local governments also receive financial incentives to maintain them?

[Szabo] Under the current system the state contributes 30,000 forints a month to the notary's salary. I believe that the whole idea would be more attractive perhaps if we could increase the size of the state's contribution. Agreeing to pay a higher wage could help to bring about the development of a notary system in a spontaneous manner.

Part-Time Mayors

[Reka] The situation of mayors is currently one of contradictions. There are tiny little villages that employ full-time mayors, while in some larger communities the job is being performed on a voluntary basis. Will the new regulation change this situation?

[Szabo] Looking at different models, we have come to the conclusion that in settlements of 3,000 or more inhabitants there is a definite need for a full-time mayor. Communities that are smaller than that will need to take into account their own unique circumstances, the tasks facing them, and their financial means before deciding themselves whether to hire a full-time or a part-time volunteer mayor. According to the plans the larger settlements will have no choice as they will be required to hire a full-time mayor.

[Reka] The notaries are complaining. More and more duties are being placed upon them that often require special skills. Attending to these duties entails quite a bit of legwork, and it cannot always be guaranteed that the job gets done professionally.

[Szabo] Issues that arise only occasionally should be delegated to management associations. These may encompass six, eight, or even 10 communities. The drafting of the necessary regulations to govern such entities will be among next year's tasks.

Radio Leaders Announce New Program Structure

LD1509161094 Budapest Kossuth Radio Network in Hungarian 1000 GMT 15 Sep 94

[Excerpts] The leaders of Hungarian Radio held a news briefing on the new program structure. Zoltan Hortobagyi reports:

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Hortobagyi] All three stations of Hungarian Radio [Kossuth Radio, Petofi Radio, and Bartok Radio] are unanimously sending a message to radio fans: Freedom of listening!

There will be no such thing as a main national station any more, Radio Chairman Janos Sziranyi said. Kossuth, Petofi, and Bartok will jointly constitute Hungarian Radio. They will try to regain its lost fame with credibility, accuracy, and timeliness.

Some of the old favorite programs have already started on Kossuth Radio. In addition to this, "Kossuth Club" will again be on air several times a week from 3 October. "Forum" and "Saturday Morning" will also be back.

"Paragraph" will help to familiarize listeners with legal matters, "Our Civic Minutes" [Civil Perceink] will introduce listeners to civic initiatives.

Petofi Radio will become a radio station for ordinary listeners. [passage omitted]

Well-known announcers like Janos Szilagyi, Peter Geszti, and Janos Fiala will be at the microphones again. In addition to new classical music and jazz programs, Petofi Radio will broadcast news programs every four hours.

Bartok Radio will remain the station of classical music. Entire opera recordings will be broadcast on Tuesday and Friday evenings at 1605. Late night music programs and biweekly cultural magazines will entertain listeners. [passage omitted]

Foreign Investor Views Food Export Prospects

9494CH0411B Budapest FIGYELO in Hungarian 25 Aug 94 p 16

[Unattributed report on views of Danish investor Laszlo Kolos: "A Danish (Hungarian) Investor"]

[Text] After an absence of several decades, in 1988 Laszlo Kolos returned to Hungarian business life, but he retained his Danish parent company and citizenship. He bought the Tatabanya slaughterhouse, and he has an interest in another nine businesses in the food industry. He presented his views at a recent news conference organized by the Hungapig Pig Farming Association about the chances of the Hungarian pork industry on the world market.

Laszlo Kolos has maintained commercial ties with Hungarian meat factories for exactly 10 years; thus, he has better local knowledge than an "average foreign investor." An old wish of his was fulfilled with the complete reconstruction of the Tatabanya meat processing plant, which will be completed by the end of the year, will cost 3.5 billion forints [Ft], and will meet EU and USDA standards. For this amount of money, he could easily have bought four or five other slaughterhouses, but, according to the Danish-Hungarian businessman, those would be operating at a loss, whereas the modernized Kolos-Tatabanya plant will certainly be profitable. A few data that characterize its size: Its yearly slaughtering capacity will be 350,000-400,000 pigs and 20,000-25,000 head of cattle. Each year, it will produce 12,000-15,000 metric tons of finished meat products, supported by a cold storage depot with a capacity of 3,000 tons.

Based on his earlier experience, the businessman believes that Hungarian semifinished products have very good market chances in the European Union. The work content of these products is somewhere between those of the unprocessed commodity and the carefully packaged product ready for consumption, and the EU's taxation and skimming policies treat them favorably. According to Kolos, for at least 50 years, the possibility for a breakthrough that will allow Hungary to sell its products in the West will be due to Hungarian labor, which is decidedly cheap compared to Western labor. Therefore, Kolos-Tatabanya exports deboned, choice cuts of meat to the well-paying EU markets, up to 65 percent of their entire production. And the cheaper products that are bound to be left over will be sold to the neighboring countries and to domestic stores.

However, with the current high prices and a meat yield of only 48 percent, Hungarian pork production can certainly not be competitive on the world market, Laszlo Kolos claims. (For instance, in Denmark the meat yield of the very homogeneous pig stock is 54 percent.) Thus, the current very heterogeneous system of pork farming, which yields a lot of fat and little meat, must be modernized as soon as possible. Moreover, this should take place while the prices remain within the price range on the world market, since the customer dictates, because production at expenditures beyond this range is no more than a pipe dream. Hungary has the breeding stock to effect a change in breeds, but the modernization of feed and farming technology is more difficult. According to Kolos, subsidies should be regrouped to cover expensive and imported protein feed, because the current system harbors a lot of fraud in connection with protein carriers, one of the "foreign" investors in the Hungarian meat industry maintained without giving concrete examples.

'Most Successful' Privatized Firm Viewed

94CH0411A Budapest FIGYELO in Hungarian 25 Aug 94 p 10

[Interview with Dr. Gyorgy Katona, director of the Zalakeramia Corporation, by unidentified reporter; place and date not given: "Most Active Player on the Exchange; London City Firm Privatized Zalakeramia Corporation"]

[Text] *The Zalakeramia Corporation, which plays a dominant role in Hungarian tile production, closed the first half of this year, as well, with success. On 31 May 1991 the more than 100-year-old Zalaegerszeg company was transformed into a corporation as a private limited company, with an equity of 1.275 billion forints [HUF]. The founders were the State Property Agency [AVU] and*

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the IMI Securities, Ltd., London. Stocks of the company appeared on the Budapest Stock Exchange and on the Vienna Stock Exchange in the category "subscribed." The privatization of this corporation is one of the most successful cases. According to general manager Dr. Gyorgy Katona, it is not unthinkable that it is the most successful one.

[FIGYELO] When did the idea occur to privatize the firm that comprises the Zalaegerszeg tile stove factory, the Tofej tile factory, the Zalakomar terrazzo tile factory, as well as the Sumeg limestone quarry and whiting factory?

[Katona] In 1980, we devised a development strategy, which we are following up to this day. The development in Tofej was planned to take place in three steps; we managed to implement the first one in 1988, and the second one should have been completed in 1991. We applied for credit as early as 1988-89 in order to obtain the financial prerequisites for our 1991-92 development, because if we did not modernize production in this time period, the firm was to become a lossmaker. For one and a half years we received no answer to our application for a loan from the banks. This is when the English investor came forward and undertook to invest $10 million in cash in the company; of this money, $9 million became capital stock, and $1 million was made into an accumulated fund, which is the collateral for employee shares. Thus, the IMI Securities, Ltd., London acquired the ownership of 52 percent of our company in July 1991. AVU's 48-percent share was represented by entering Zalakeramia into the corporation as a contribution of real capital.

[FIGYELO] How soon did foreign investors decide to participate in Zalakeramia?

[Katona] Remarkably soon. The Ernst Young Corporation prepared the plan of the transformation in 1990-91. The five-year business plan was completed on 26 January 1991. On 1 June 1991, without even waiting for an appraisal, the English decided to invest. The AVU treated the matter with great flexibility; our relationship was exemplary to the end. The investors convinced themselves that Zalakeramia was able to produce tiles of good quality, and the market for them was secure, as well. With our new technology, we were also able to achieve a savings of labor and energy. Political changes notwithstanding, the goal of Zalakeramia's management is to implement their development strategy, as a result of which they want to be among the best in Europe.

[FIGYELO] How does the ratio of ownership look today?

[Katona] With the 296,000 shares bought from AVU, IMI Securities, Ltd. increased its majority shareholding to 75 percent, and at the general assembly on 18 December 1993, a new equity raise was approved that allowed the corporation to strengthen its position, continue its program of modernization, and broaden its business activities. Foreigners subscribed to 91 percent of the newly issued 449,666 shares; thus, they own 93 percent of the equity. John Bovett and the Hungarian Investment Corporation Ltd. probably have the largest stake in the company.

[FIGYELO] What kinds of results did you achieve through investments?

[Katona] At the Tofej plant, the reconstruction of tile factory No. 2 in the value of HUF363 million, and of tile factory No. 3 in the value of HUF450 million, was completed in May 1992. This factory, as the Lord Mayor of London said during his July visit in Tofej, would hold its own anywhere in the world. Zalakeramia will become the largest Hungarian tile manufacturer with its increased production capacity of up to 3 million square meters of tile each year as of 1995. The modernization of the Zalakomar terrazzo tile production line was also accomplished; a polishing line worth HUF28.2 million was completed. According to the plans, in the course of 1994 the plant of the Zalaegerszeg tile stove factory, which currently is in the middle of town, will be moved according to an industrial area. This year we will also renovate the showrooms operated by the corporation. The showroom in Budapest, district VIII, 26 Jozsef Korut [Ring], has been open since May.

[FIGYELO] What do the results of the first half of the year show?

[Katona] We surpassed our sales plan by 14.6 percent, by HUF94 million. Compared to the corresponding period of last year, the increase was approximately HUF3 million, although the new plant started production only in May. We delivered primarily to Germany and Austria, but we also succeeded in acquiring new markets: Our products made their way to the Benelux countries and to Lithuania.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Clinton Claim of Poles in Invasion Denied

LD1609084894 Warsaw Radio Warszawa Network in Polish 0800 GMT 16 Sep 94

[Text] Polish troops are not preparing to take part in the intervention in Haiti, Major Janusz Grochowski, spokesman for the minister of defense said. U.S. President Bill Clinton said in a television address on Thursday [15 Sep] evening that troops from Poland would also take part in the invasion. In a conversation with the Radio Information Agency reporter, Grochowski explained that government approval would be necessary to send soldiers. The Defense Ministry spokesman added that possible participation of Poles in the intervention in Haiti would be connected with logistical involvement, rather than direct combat.

Intelligence Chief Candidates Considered

WS1509142194 Warsaw GAZETA WYBORCZA in Polish 15 Sep 94 p 2

[Article by Jerzy Jachowicz: "Another Experienced Agent or An SLD Politician; Who Will Replace Zacharski?"]

[Text] **The dispute over appointing the head of intelligence continues. Gromoslaw Czempinski, chief of the Office of State Protection, supports Colonel Piotr Libera, currently an intelligence representative abroad. Meanwhile, the Democratic Left Alliance [SLD] and Milczanowski want the intelligence to be run by a politician.**

As we learned from unofficial sources, Czempinski has withdrawn his support for intelligence Colonels Janusz Wojciechowski and Aleksander Makowski, who were his candidates competing with Minister Milczanowski's candidate, Marian Zacharski. Wojciechowski and Makowski were previously deputies to Zacharski's predecessor, Janusz Luks.

Meanwhile SLD, in agreement with Internal Affairs Minister Andrzej Milczanowski, wants a politician rather than an officer to head the intelligence. "His two deputies in charge of operations should be professionals, preferably intelligence representatives abroad," a leading SLD politician told us anonymously.

SLD candidates whose names are mentioned include Zbigniew Zemke, one of the party leaders, and Jerzy Dziewulski, deputy chairman of the Internal Affairs Commission.

I asked Zemke whether he would accept the nomination. He replied that no one has approached him seriously as yet, but he did state firmly that he is "not interested in any state administration post, least of all one in the secret service." In his opinion, far more important than a "political takeover of the intelligence" is the creation of a "body including representatives of the president, the prime minister and parliament, which would assess objectives for the intelligence and counterintelligence."

"The misfortune of the secret service," says Zemke "is that there is no clarity as to who is to define its tasks: the National Security Office, the president, the prime minister, the head of the Ministry of Internal Affairs, or Minister Mieczyslaw Wachowski."

Sejm Deputy Dziewulski did not confirm our information, nor did he disclose any details.

For three weeks now the post of head of intelligence has been vacant, ever since Milczanowski accepted the resignation of Colonel Marian Zacharski, a super agent of the Polish People's Republic in the 1980's, sentenced to death in the United States. His nomination resulted in an unprecedented protest on the part of the United States, and inspired national debate.

Zacharski, Kuklinski Rejected

WS1609074394 Warsaw ZYCIE WARSZAWY in Polish 15 Sep 94 p 2

[Report by NIKA: "OBOP: Zacharski Would Have Been A Bad Intelligence Chief"]

[Text] Most Poles are familiar with the issue of Colonel Marian Zacharski. Dominating are opinions that the internal affairs minister should not have appointed him to the post of the Polish intelligence services head.

Every third Pole asked by the Center for Research on Public Opinion [OBOP] which colonel did a better service to Poland—Zacharski or Kuklinski—replied: neither one of them. Seventeen percent of the respondents say that only Zacharski, 7 percent—that only Kuklinski. In the opinion of every 10th respondent, both of them performed comparable services in the interests of Poland.

Seventy percent of Poles have heard about the disputes related to the nomination of Colonel Marian Zacharski as head of the Polish intelligence services. However, only every third respondent was interested in the issue.

Every second person that has heard about the Zacharski case said that the internal affairs minister was not correct in appointing Zacharski to this post. Every fourth believes that it was the correct decision.

At the same time 37 percent of the respondents are convinced that Colonel Zacharski is unfit for the post of the chief of the Polish intelligence services (22 percent of the respondents are of the opposite opinion). Fewer persons (10 percent) believe that Kuklinski would make a good intelligence head (48 percent are of the opposite opinion).

Opinions about both agents depend on the political views of the people who express them. Zacharski is more popular with people with leftist leanings, supporters of the Democratic Left Alliance, and persons trusting the present government. Kuklinski is favored by supporters of rightist parties, "Solidarity," and the church.

The OBOP poll was carried out between 2 and 6 September on a 1,048-person random sample of adult Poles.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Sejm Adopts Secrets Act, Sends to Senate

LD1509165294 Warsaw TV Polonia Network in Polish 1500 GMT 15 Sep 94

[Text] The Sejm has adopted an act on state and official secrets. Anyone who gains knowledge of secrets is obliged to keep them. That also applies to journalists who may not reveal secret information obtained by them, even if it is justified by major public interests.

[Tomasz Adamczyk, in Warsaw—identified by caption] The act was supported by the deputies of the Democratic Left Alliance, the Polish Peasant Party and the Non-Party Bloc in Support of Reforms. The Union of Freedom was against, while the Confederation for an Independent Poland and the Union of Labor were split over it.

The act prohibits the identification of intelligence service operational staff and employees. Secret information about intelligence and counterintelligence operations is to remain secret for 80 years. Information important for national defense and security will be secret for 40 years. Members of the Sejm commission for overseeing the special services will have access to state and official secrets. Work is underway on setting up the commission. The Supreme Chamber of Control will have access to secret information, but only with the internal affairs minister's consent.

The act on state and official secrets is still to be approved by the Senate and the president.

Commentary on Kolodko, 'Strategy for Poland'

WS1509140694 Poznan WPROST in Polish 18 Sep 94 p 11

[Article by Boguslaw Mazur: "What Can Deputy Prime Minister Kolodko Do? Strategy Versus Tactics"]

[Text] "The entire Council of Ministers is focusing on the 'Strategy for Poland,'" Grzegorz Kolodko, deputy prime minister and finance minister, gave assurances upon returning from Brussels. Two days before, in his absence, at a session of the Council of Ministers, Labor and Social Policy Minister Leszek Miller forced a decision to maintain over the next year the method of pension valorization that has been in effect so far. As Kolodko calculated, it will cost the budget—that is, the taxpayers—between 8 and 9 trillion zlotys; as a result, the high personal tax rates will have to be maintained. Still, apart from the conflicts that arise in the minds of journalists, the government should be considered to be strong and close knit.

In reality, the government is not at all close knit, let alone strong. First of all, Kolodko himself is in a weakened position. He recklessly began fighting on several fronts at the same time. First he came into conflict with Foreign Economic Cooperation Minister Leslaw Podkanski, who he criticized for decisions made in the Ciech issue. The minister was defended even by Prime Minister Pawlak. Soon after the idea of establishing a "super-ministry" was criticized by Head of the Office of the Council of Ministers Michal Strak, who suggested that a Ministry of Privatization be separated from within the future Treasury Ministry. Thus, Kolodko found himself in a dispute with the entire Polish Peasant Party. To crown it all, he started trying to obtain more influence from the National Bank of Poland, which its President Hanna Gronkiewicz-Waltz violently objected to. In this case Kolodko happened to be supported by the entire government; however, the brunt of the attack had to be borne not so much by the government, as by the deputy prime minister. Finally, it has turned out that the head of the economy will have to face attacks from part of the Democratic Left Alliance [SLD], which is perhaps the worst thing of all.

The "Strategy for Poland" was approved of by the government before the self-government campaign. However, when the time for declaring ambitious goals was over and the period for enumerating the social costs of their accomplishment began, the ministers suddenly found that they had instincts of self-preservation. Even when the previous budget was being prepared, Minister Miller loudly protested the small amount of money that was earmarked for the needs of his ministry. When he did not get the additional money, he submitted a votum separatum [preceding two words in Latin] for the budget. Right now he is gaining the support of an enormous part of the electorate—the pensioners; by doing so he is strengthening his position within SLD, whose leadership was at one time criticized by him for being too "liberal." Therefore, by opposing the change in the method of pension valorization, Leszek Miller has in fact started a strategic fight for power within SLD.

However, all this goes not only for this one minister and this particular government. Also former Prime Minister Hanna Suchocka complained about ministers who behaved like representatives of trade unions. It turns out that each time an unpopular decision must be made, some of the ministers—regardless of their political colors—form an informal trade union which starts bargaining with the "employer," that is, with the finance minister, about higher "wages." The functioning of a "ministerial Poland," in which the heads of the various ministries are defending their own interests, must curb any real—and thus difficult to accept—concept of economic changes. That means that the most dangerous trade union is the trade union of ministers.

The political conflicts among the members of the cabinet are aggravated by the fact that the borders between the powers of the prime minister and the "presidential" ministers, as well as among ministers themselves, are unclear. This is proved by public polemics between Waldemar Pawlak and Internal Affairs Minister Andrzej Milczanowski, or between Milczanowski and Minister of Foreign Affairs Andrzej Olechowski.

Deputy Prime Minister Kolodko, whose "Strategy" has become a big question mark, does not seem to see that the structure of wielding power is sick. Unfortunately, the "unionists" of the Council of Ministers most often do not say where the additional money for the needs of their

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

ministries should be taken from. However, if they really cannot see a possibility of heading their ministries without the extra money, they do not really have to submit a votum separatum [preceding two words in Latin]; following their good manners, they may hand in their resignations. It is not obligatory in Poland to be a minister.

Cesium Contamination From Chernobyl Viewed

WS1509144694 Warsaw RZECZPOSPOLITA in Polish 22 Aug 94 p 7

[Report by Krystyna Forowicz: "We Do Not Drink With Mushrooms"]

[Text] The mushroom season is fast approaching, and with it the annually recurring post-Chernobyl dilemmas. Readers are already asking: Are mushrooms still contaminated with cesium this year, and which regions of the country are safest for mushroom picking? Plus, most importantly of all, should you even eat the mushrooms?

For the first time, we have a credible report on the volume and range of radioactive isotope contamination in Poland resulting from the explosion at the Chernobyl nuclear power plant eight years ago. Following four years of research within the Litosphere Protection project, the National Institute of Geology in Warsaw has developed radio-ecological maps (utilizing gamma-spectroscopy methods) of the concentration of natural radionuclides (uranium-282, thorium-232, potassium-40) and post-Chernobyl cesium contamination, with a scale of 1:750,000.

Scientists have found cesium contamination to be highest in southwestern Poland, in the eastern part of the Sudety Mountains tectonic foreland and the Silesian Plain. The contaminated zone stretches from the Polish-Czech border in the Klodzko Valley all the way to Warsaw. There are...

Three Anomalous Zones

The so-called Opole anomaly, with an area of 4,500 square km covers the Walbrzych, Opole and Czestochowa Voivodships. This is where the concentration of cesium is highest, reaching 96 kBq [kilo-barque] per square meter in the vicinities of Nysa, as compared with the national average of 4.67 kBq/square meter. The Radom anomaly (Piotrkow Trybunalski Voivodship), stretching north of the city and with a small area, has 20 kBq/square meter. The third zone, the Warsaw anomaly, lies between Rawa Mazowiecka and Wolomin (Skierniewice and Warsaw Voivodships). The concentration of cesium in Pruszkow and Wesola reach 30 kBq/square meter.

Contaminated regions also include: Beskid Slaski, Beskid Maly, Kotlina Oswiecimska (Bielsko-Biala Voivodship)—the concentration of cesium in these areas reaches 25 kBq/square meter.

Hot Points

...are places where cesium concentration levels reach 50 kBq/square meter, or even exceed 70 kBq/square meter. Such hot points are located in Wysoczyzna Siedlecka (Bielsk Podlaski Upland) and the Wysoczyzna Bielska Podlaskiego (Bielsk Podlaski Upland): between Kock, Siedlce and Czeremcha (Siedlce, Bialystok, Biala Podlaska Voivodships). Anomalies of a similar area appear in the northeast, in the Puszcza Kurpiowska (Ostroleka province), e.g. in the vicinity of Myszyniec and in the Mazury-Mragowo lake district.

Singular occurrences of cesium above a level of 15 kBq/square meter have been reported in Szczecin Voivodship, between Insk and Maszew, as well as in Elblag Voivodship, in the vicinity of Prabuty.

The Opole region causes the greatest concern among scientists . Contamination levels here are so high, that the National Institute of Geology and the Central Laboratory of Radiological Protection are planning to conduct research of cesium content in crops, and are considering developing detailed maps with a scale of 1:100,000.

Cesium, or—more specifically—its isotope with an atomic weight of 137, is the main product of the explosion in Chernobyl. It causes pollution of the air, water, and soil. It accumulates in plant seeds, animals, and fish. Its half-life is 27 years. Mushrooms, more than other plants and fruit, accumulate substances absorbed from the ground (not only cesium, but also heavy metals).

Among Mushrooms

...the species that cumulates the most cesium is the Boletus scaber, as its gills contain phenol cytochrome.

Mushrooms are dangerous because they remain in the digestive system longer than other foods (they are not as easily digested), and thus are an internal source of radiation for a longer period of time, which in turn has negative effects on delicate internal organs, such as the stomach walls and intestines.

Compounds containing cesium, on the other hand, are not fully soluble. Therefore, perhaps not all of the cesium radioactivity is absorbed by the organism. Boiling the Boletus scaber for approximately two hours in distilled water causes 66 percent of radioactive cesium to be absorbed by the liquid (such experiments have been conducted).

Although the amount of mushrooms we consume is limited, it is best not to eat mushrooms from the most contaminated regions.

Ryszard Strzelecki, Stanislaw Wolkowicz, and Pawel Lewandowski—authors of the map of Poland detailing cesium concentration [published alongside the article]—used data from some 20,000 control points. Previous maps of cesium concentration in Poland (printed without scale) were based on measurements from 343 sites randomly dispersed throughout the country.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

PDSR Examines Privatization, Reorganization

AU1509195394 Bucharest DIMINEATA in Romanian 10 Sep 94 pp 1, 2

[Communique issued by the Central Executive Bureau of the Social Democracy Party of Romania meeting in Bucharest on 8 September: "Important Decisions Adopted by the PDSR Central Executive Bureau"]

[Text] The Central Executive Bureau of the Social Democracy Party of Romania [PDSR] held a meeting on 8 September, which was attended by Prime Minister Nicolae Vacaroiu and Ministers of State Dan Mircea Popescu, Mircea Cosea, and Florin Georgescu as guests.

The proceedings of the Central Executive Bureau's meeting were chaired by Mr. Oliviu Gherman, president of the PDSR National Council.

The Central Executive Bureau examined and adopted decisions on:

1. Evaluating the current political situation in the country and the PDSR's action guidelines for the coming period.

2. The draft law on accelerating the privatization process.

3. Confirming the decisions adopted by the Permanent Delegation over the 1 July-8 September 1994 period on the basis of the mandate received from the National Council.

4. Reports on activities carried out by the departments of the PDSR National Council in the June-September 1994 period.

5. Establishing the date of convening the meeting of the PDSR National Council.

PDSR Executive President Adrian Nastase presented the main features, estimations, and conclusions referring to the social and political situation in the country and outlined the PDSR's orientations and action guidelines. In this respect, he emphasized the need to increase the influence and contribution of the party in the central and local legislative and executive bodies; to steadily continue the party's organizational and political consolidation at all levels; to further improve the functioning of and relationship between the national bodies and regional organizations; to continue the negotiations with the parties that support the Vacaroiu government; to identify new ways and means for a constructive dialogue with the other parliamentary parties in order to ensure the political stability in the country and improve the legislative activity; to openly discuss the PDSR's relations with the trade unions and the organizations of revolutionaries; and to intensify the party's international activity.

Prime Minister Nicolae Vacaroiu presented an ample report on the draft law on accelerating the privatization process by emphasizing the opportuneness and importance of this process for the progress of reform in its two main ingredients: the social one—that is, ensuring social protection and equal chances for all the country's citizens entitled to receive a part of the social capital free of charge—and the economic one, by giving true incentives to the shareholders and auctioning off at least 40 percent of the social capital owned by the State Property Fund, something that is bound to ensure enough capital for the trade companies, which will retain an important part of the moneys brought in by the sale and also secure the necessary resources for restructuring in order to continue the privatization of the less profitable trade companies.

The draft law on accelerating the privatization process has already been the subject of consultations between the PDSR and government, as well as between the PDSR and other parties supporting the government; these consultations ended in an agreement on the basic principles of this draft law.

The Central Executive Bureau endorsed the draft law on accelerating the privatization process and asked the PDSR parliamentary groups to support the priority adoption of this normative act.

In order to speed up the approval of the law, the proposal was made that Prime Minister Nicolae Vacaroiu should also have consultations with the leaderships of the opposition parties.

The Central Executive Bureau recommended that the government should appoint a secretary of state from the Council of Economic Coordination, Strategy, and Reform to the Management Board of the State Property Fund; he should be in charge of the operational coordination of this particularly important and complex process of economic recovery, restructuring, and privatization.

The Central Executive Bureau confirmed the decisions made by the Permanent Delegation on: the governmental reshuffle and the restructuring of the apparatus of the ministries and government; the setting up and organization of the National Forum of Agriculture at a central and local level; establishing the position of vice president in charge of agricultural and forestry problems in the party's National Council and in the county organization councils; and the steps taken in the last two months recommending the dismissal and promotion of certain people from the leadership of various prefect's offices.

The Central Executive Bureau members were briefed on the activity carried out in the last few months by the National Council.

The Central Executive Bureau decided to convene the PDSR National Council in the second part of October 1994. The meeting will mainly examine the draft documents to be submitted to the next PDSR National Conference for examination, including, among other

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

things, those related to the need for a new understanding of the status of women and young people in the present Romanian society.

The discussions, critical observations, and proposals made during the meeting of the Central Executive Bureau emphasized the responsibility the team spirit of the bureau members in their efforts to further increase the PDSR's role and influence in the country's political, economic and social life.

[Signed] The PDSR Press Bureau

'Hungarians' Reject Iliescu Stand on Minorities

LD1509220094 Budapest Kossuth Radio Network in Hungarian 2000 GMT 15 Sep 94

[Text] The Hungarian Democratic Union of Romania [HDUR] rejects President Iliescu's standpoint enunciated in the speech he delivered at the Bucharest conference dealing with Central European national minorities. Iliescu rejects the right of Romania's Hungarian minority to various forms of autonomy. Here is Tibor Bogdan's phone report from Bucharest:

[Bogdan] The opinion of the HDUR was summed up by Bela Marko, HDUR chairman, speaking to Bucharest Radio this afternoon. He pointed out: What the Romanian head of state takes as his starting point is the view that self-determination upsets the integrity of the Romanian State; whereas in the HDUR's opinion the exact opposite is true. The solution to the autonomy attempts of Romania's Hungarians to enshrine the right of self-determination in legislation would strengthen the cohesive forces acting within the framework of Romanian society.

Bela Marko said: The leaders of Romania's Hungarians agree with President Iliescu's thesis, which was likewise expounded today, that in the case of the minority issue there is no single model. They also share his view that in the case of the minority problem, one must strive for a general solution, while within this, one must seek particular modes of settlement.

Law on National Defense

94P21009A Bucharest MONITORUL OFICIAL in Romanian 7 Jul 94 pp 5-8

["Text" of Law No. 45 on the National Defense of Romania]

[Text] The Parliament of Romania adopts the present law:

CHAPTER I
General Provisions

Article 1

The National Defense comprises all the measures and activities adopted and implemented by the Romanian State for the purpose of guaranteeing the national sovereignty, independence, and unity of the state, the territorial integrity of the country, and constitutional democracy.

Article 2

Activities concerning national defense are ensured and carried out by public authorities, in accordance with the powers stipulated by the Constitution and the laws of the country.

The measures adopted for national defense are obligatory for all the citizens of the country, for public and private authorities and institutions and for all economic agents, regardless of their form of ownership.

Article 3

Regulations concerning national defense are based on the observance of the provisions of the Constitution and of the laws of the country, on the principles of the military doctrine of the Romanian State and the generally accepted norms of international law, as well as the provisions of treaties to which Romania is a party.

Article 4

In the case of aggression which infringes upon the territorial integrity, and the existence and the unity of the Romanian State and the Romanian people, aggression whose extent exceeds the combat capacity of the Armed Forces organized on the principle of defensive sufficiency, the response will include the appropriate forms in which all the necessary human and material resources will be committed to repulse this aggression.

Article 5

In the interest of collective security and in accordance with the obligations assumed by Romania under international treaties, at the request of the president of Romania, the participation of military troops and technology in international peacekeeping or humanitarian forces is submitted to Parliament for approval.

The participation of Army units outside the territory of Romania, with troops and combat technology, in joint military exercises with units of other states is approved by the Supreme Defense Council of the Country, with the prior notification of Parliament.

The carrying out of exercises and operations of the Army, for a specified period of time, which involve the entry, stationing, or transit of foreign military units on the territory of Romania is approved, for each individual case, by the Parliament of Romania, on the basis of a prior request of the president of Romania.

CHAPTER II
Structure of the National Defense System

Article 6

The national defense system consists of: the leadership, forces, resources, and territorial infrastructure.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Article 7

The leadership of the national defense system is an exclusive and inalienable attribute of the constitutional authorities of the state and is carried out by: Parliament, the president of Romania, the Supreme Defense Councilof the Country, the Government of Romania, the Ministry of National Defense, and public administration authorities with functions in the area of national defense.

Article 8

The General Headquarters, which is directly subordinate to the Supreme Defense Council of the Country, is established to carry on military activities on the strategic level during wartime. The chief of the General Headquarters is appointed by the President of Romania, upon recommendation of the minister of national defense.

The organizational structure and attributes of the General Headquarters are set forth during peacetime by a decision of the Supreme Defense Council of the Country, upon recommendation of the minister of national defense.

Article 9

In order to ensure unitary management during wartime, the function of military commander, subordinate to the General Headquarters, will be established in every county and in Bucharest Municipality, by decision of the Supreme Defense Council of the Country.

The attributes of the military commander are set forth during peacetime by the Joint Chiefs of Staff and are approved by decision of the Supreme Defense Council of the Country.

The chief of the General Headquarters appoints the military commanders of the counties and of Bucharest Municipality.

Article 10

The forces intended for defense consist of the Armed Forces and the protection forces.

Article 11

The Armed Forces consist of the Army and large units and formations subordinate to the Ministry of the Interior, those of the state intelligence services and other armed defense formations organized in accordance with the law.

Article 12

The protection forces consist of: civil protection units and formations, volunteer health formations of the Red Cross, and other formations which will be specified by law.

Article 13

The forces intended for defense carry out specific training activities, within the limits of national land, air, maritime, and riparian borders, observing environmental protection norms.

To carry out these activities, the forces intended for defense use shooting ranges and other available facilities, as well as terrains, airports, air terminals, ports, spaces, and other real estate specified, together with the respective natural or legal persons or public administration authorities, under the conditions of the law on requisition.

After the completion of the activities stipulated in Paragraphs 1 and 2, the respective areas will be returned in the condition in which they were received.

Article 14

National defense resources consist of the totality of human, financial, material, and other resources which the state provides and commits in support of the defense efforts of the country.

Article 15

Human resources consist of the entire population fit for participation in the national defense effort. The training of the population for defense is carried out in accordance with the law.

Article 16

Romanian citizens who are fit for military service cannot be appointed to management positions in institutions of public authorities if they have not fulfilled this obligation through their own fault.

Article 17

Ministers, state secretaries and under secretaries, as well as officials of similar rank, prefects, sub-prefects, mayors and secretaries in municipalities, cities, and communes, managers of economic agencies and public institutions with mobilization duties will be trained so that they will be able to carry out the functions assigned to them in the area of national defense, by the Joint Chiefs of Staff.

The manner of organization and participation in the training of the persons with the functions stipulated in Paragraph 1 is determined by government decision.

Article 18

The other resources, as well as the economic preparation of the territory for national defense, are ensured in accordance with the provisions of the law.

Article 19

The expenditures required for organizing, equipping, maintaining, and instructing the active and reserve troops, as well as for financing investment projects of the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

armed forces are paid for out of the state budget and other legally constituted funds.

Article 20

The territorial infrastructure consists of the totality of the territorial projects and arrangements which can be used for the purpose of national defense.

The preparation of the territory for national defense is ensured in accordance with the provisions of the law.

Article 21

The ministries, the public administration authorities, and economic agents, regardless of their form of ownership, have the obligation to obtain the approval of the Joint Chiefs of Staff for the placement of new investment projects and the development of existing ones, for the purpose of including them in the infrastructure of the national defense system. The list of invesiment and development projects, as well as the criteria for carrying them out, for which the approval of the Joint Chiefs of Staff is obligatory, will be determined by a Government decision.

Article 22

Upon proclamation of martial law or a state of emergency, or a declaration of mobilization or a state of war, property belonging to economic agents, public institutions, and other legal and natural persons can be requisitioned and citizens who are fit for work can be called to render services, under the conditions specified by the law.

In the situations specified in Paragraph 1, by decision of the Supreme Defense Council of the Country, economic agents whose activity is directly connected with ensuring the resources necessary for defense can be appropriated by the military. Their organization and operation are determined by government decision.

Article 23

During peacetime, the Armed Forces will accumulate in their reserves weapons, combat technology, and materials which will ensure the fulfillment of the missions assigned to them and the compensation for probable consumption and losses during wartime.

The list and levels of these reserves are approved by the Supreme Defense Council of the Country, upon recommendation of the Ministry of National Defense, and, according to the case, of the appropriate organs.

The periodic replacement and the transfer to the economy of items from the constituted reserves are regulated by Government decision.

Article 24

The status of the preparation of the population, the economy, and the territory for defense is verified by mobilization exercises and training by the Joint Chiefs of Staff together with the Central State Office for Special Problems and the National Administration of Material Reserves, on the basis of the plan approved by the Supreme Defense Council of the Country.

Article 25

Public administration authorities and institutions, economic agents, regardless of their form of ownership, have the obligation to satisfy the orders which are necessary for national defense, completely and by the deadlines set by contract in peacetime and on a priority basis in wartime.

CHAPTER III
Organization of the Army

Article 26

The Army is the basic component of the Armed Forces which ensures, in peacetime and in wartime, the integration in a unitary concept of the activities of all the forces participating in actions for the defense of the country.

Article 27

The Army has in its organization: the central organs of the Ministry of National Defense, categories of forces, and territorial military organs.

Article 28

The central organs of the Ministry of National Defense are determined by law.

Article 29

The categories of forces of the Army are: ground troops; the Air Force and the anti-aircraft defense; The navy. They have as components general staffs, branch commands, large units and combat units, training and instruction units, as well as combat supply and logistics units and formations.

Article 30

The territorial military organs have as components: territorial military commands, county, municipal, and sector military centers.

CHAPTER IV
The Powers of the Public Authorities in the Area of National Defense

Article 31

The Parliament, the president of Romania, the Government of Romania, and the Supreme Defense Council of the Country exercise their powers in regard to national defense in accordance with constitutional provisions and the laws of the country.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Article 32

The Government of Romania is responsible for organizing activities and applying measures dealing with national defense and has the following powers:

a) It coordinates the activity of the ministries and of other authorities of public administration in carrying out measures for assuring the defense capacity of the country;

b) It ensures the allocation and utilization, according to the law, of the necessary financial and material resources for organizing, equipping, and mobilizing the Armed Forces, for supporting and instructing the troops, for maintaining technology and equipment in operating condition, as well as for carrying out investment projects for defense;

c) It stipulates the obligations of the ministries and the economic agents in mobilizing the national economy for the first year of war;

d) It ensures, in peacetime, the formation of the reserve materials needed during wartime, both for defense needs and for the population;

e) By means of the prefects, it carries out specific activities in the counties and in Bucharest Municipality.

Article 33

The Ministry of National Defense is responsible for implementing the fundamental concept of the defense of the country in the military domain and, for this purpose:

a) It analyzes the defense needs of the country and proposes to the competent authorities stipulated by the Constitution and other laws measures dealing with the organization and equipping of the army and the preparation of the population and the territory;

b) It ensures the preparation of the commands and the instruction of the active and reserve troops;

c) It organizes, in peacetime, the preparations for the mobilization of the army and the population; it makes recommendations for the declaration of general or partial mobilization and directs its implementation;

d) It guides and monitors, by means of the Joint Chiefs of Staff, in collaboration with other competent authorities, the training measures taken by the ministries, economic agents, and public institutions, for the purpose of carrying out production and providing services for the armed forces, organizing mobilization projects in workplaces, and preparing the territory for defense.

Article 34

The ministries, the state intelligence services, and the other central public administration authorities are responsible for executing the measures for the defense of the country, each one in its own sphere of activity, in accordance with the law; their directors present reports on the exercise of functions regarding national defense, as appropriate, to the Parliament, the Government, the Supreme Defense Council of the Country, on an annual basis or whenever required.

When mobilization and a state of war are declared, the appropriate ministry is directly responsible for allocating resources for: raw materials, industrial products, food, energy, transportation, public works, and communications.

The requirements of the forces earmarked for the defense effort are satisfied on a priority basis.

Article 35

During peacetime and in the case of mobilization and war, the local public administration authorities, in accordance with their area of competence, have the following functions in their territorial radius:

a) They ensure the execution by economic agents, public institutions, and natural persons of provisions and measures for the preparation of the population, economy, and territory for defense;

b) They proceed and intervene to satisfy the requirements presented by the military units existing in their territorial radius for mobilization needs;

c) They take the necessary measures for satisfying requisitions and calls for services in accordance with the law;

d) They compile and update economic-military monographs of the respective territorial-administrative units and make them available to the military centers of the counties and of Bucharest Municipality;

e) They provide the military centers in the counties, municipalities, and sectors with the necessary terrains, sites, telecommunications installations, equipment, and funds for carrying out their activity, in accordance with the norms set by government decision;

f) They carry out other functions related to national defense, in accordance with the law.

CHAPTER V
Penalties

Article 36

Failure to observe the provisions of this law is a matter of penal, contraventional, administrative, or civil responsibility, according to the case.

Article 37

The following constitute contraventions if they are not committed under such conditions that, under penal law, they constitute infractions and the penalty is a fine of 200,000 lei-5 million lei:

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

a) Failure to observe the provisions of Article 21 on obtaining approval from the Joint Chiefs of Staff or failure to observe the conditions stipulated in the approval;

b) Failure of the parties mentioned in Article 25 to satisfy their obligations regarding state orders necessary for national defense;

c) Preventing the monitoring organs from carrying out the functions stipulated by the present law.

Article 38

The authorities specified by government decision will determine the contraventions and apply the penalties.

Article 39

The provisions of this chapter in regard to contraventions are supplemented by the provisions of Law No. 32/1968 on determining and penalizing contraventions, with the exception of Articles 25, 26, and 27.

CHAPTER VI
Final Provisions

Article 40

As of the date that the present law goes into effect, any other conflicting provisions are repealed.

Article 41

This law goes into effect as of the date of its publication in MONITORUL OFICIAL.

This law was adopted by the Senate at its session of 2 June 1994, observing the provisions of Article 74, Paragraph 1, of the Constitution of Romania.

[Signed] Dr. Oliviu Gherman, president of the Senate

This law was adopted by the Chamber of Deputies at its session of 21 June 1994, observing the provisions of Article 74, Paragraph 1, of the Constitution of Romania.

[Signed] Radu Berceanu, for the president of the Chamber of Deputies

[Dated] Bucharest, 1 July 1994 No. 45

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

UNPROFOR in 'Fierce Firefights' With Serbs

AU1509154794 Paris AFP in English 1503 GMT 15 Sep 94

[Text] Sarajevo, Sept 15 (AFP)—British UN soldiers have fought two fierce firefights in the besieged eastern Gorazde enclave in two days after coming under attack, UN spokesmen said here Thursday [15 September].

British troops fired more than 1,100 rounds near Mihovici on Wednesday after Bosnian Serb forces fired hundreds of rounds at a British armoured personnel carrier which had broken down, UN Protection Force spokesman Major Dacre Holloway said.

And early Thursday another British unit returned more than 500 rounds after being attacked on three sides in the southwestern sector of the pocket, said Holloway, adding it was unclear who had fired the shots.

Bosnian Serbs Wednesday fired hundreds of rounds at a stricken Saxon armoured vehicle when another British crew arrived to recover the vehicle, UNPROFOR spokesman Commander Eric Chaperon said.

Holloway said the British soldiers responded massively with "1,100 rounds" from their automatic rifles, and the 7.62mm machine-guns mounted on the Saxons in an hour-long battle.

Earlier Chaperon had said the British troops had only riposted with "several bursts" of gunfire, adding that one British soldier was slightly wounded in his left buttock and shin during the attack.

Both units managed to return safely.

Holloway said the question of calling in NATO airstrikes against the Serbs Wednesday had never been raised as "they never asked for air support. The first we knew about it was when they sent a report in."

The UNPROFOR can call in warplanes from the North Atlantic Treaty Organisation when its forces come under attack, though it appears increasingly reluctant to do so.

Another British unit was attacked in a separate attack early Thursday in the southwestern sector of the Gorazde pocket, with 75-100 small arms rounds fired at the British troops from three different locations, said Holloway.

Holloway denied the UN force was deliberately playing down the incidents, saying "both sides are trying something on now especially since they have lost a couple of people in the last few days."

That was a reference to two road crashes in the Gorazde pocket in the last week which cost the lives of four British soldiers.

Chaperon said UNPROFOR would respond to Wednesday's attack with "a strong protest addressed at a local level by the commander of the Gorazde force."

UN Says RSK Serbs Blocking French Troops

AU1609125794 Paris AFP in English GMT 16 Sep 94

[Text] Zagreb, Sept 16 (AFP)—Serb forces controlling the Croatian region of Krajina have been stopping all UN French forces from entering or leaving the Bihac enclave in neighbouring Bosnia-Herzegovina, the United Nations said Friday.

The blockade, which began Thursday, involves only the French contingent deployed in the Bihac pocket, Major Jean-Francois Philippe of the 3rd French battalion said by telephone, adding that he did not know why the measure had been taken.

A French convoy was stopped Thursday at the Serb control point at Sisak, 55 kilometres (34 miles) southeast of Zagreb, and forced to retrace its steps, Philippe said, adding that the Ukrainian, Polish and Finnish contingents based in the region were free to move as they pleased.

French forces outside the Bihac region who want to go into the enclave must go through Serb-controlled Croatian territory, he said.

Philippe said he thought the Krajina Serbs were using the blockade to show their opposition to the upcoming replacement of the French troops by Bangladeshi ones. "The Krajina Serbs are openly hostile to the presence of Moslem UN forces," he said.

In August the Serbs also began blocking UN relief convoys into Bihac.

Philippe said the military situation was "calm," adding however, that he was expecting fighting to break out afresh between the Bosnian army and the Serb forces in the Otoka-Bosanska Bojna sector in the east of Bihac.

The UN forces in southwest Croatia on Friday reported that about 1,000 Serb soldiers from Krajina had gathered in Dvor, some 100 kilometres (60 miles) south of Zagreb on the Una river which forms a natural border between Croatia and Bosnia-Herzegovina.

UN Commanders Discuss NATO Help in Withdrawal

AU1509151594 Paris AFP in English 1441 GMT 15 Sep 94

[Text] Brussels, Sept 15 (AFP)—NATO troops could be deployed in Bosnia to facilitate a withdrawal of UN peacekeeping forces, General Bertrand de la Presle, commander of the UN Protection Force in ex-Yugoslavia, said Thursday [15 September].

The option was "one hypothesis among many others which have to be studied" by officials of the world body and the Atlantic alliance, the French general said.

His comments came after a surprise three-hour meeting with NATO's military committee accompanied by Sir

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Michael Rose, head of the UN Protection Force (UNPROFOR) in Bosnia-Herzegovina.

De la Presle said discussions of a possible withdrawal had taken up only 10 minutes of the meeting.

"Like any good soldier who tries to imagine all the possible scenarios for tomorrow or the day after, I raised the potential scenario of a partial or total withdrawal and the way in which NATO could contribute to that," he said.

A military source said the alliance would be presenting an outline plan on possible North Atlantic Treaty Organisation action in Bosnia to western governments within the next few days.

Ambassadors to NATO have been summoned at short notice to a meeting on Friday to discuss the situation in former Yugoslavia, forcing the organisation's interim general secretary, Sergio Balanzino, to scrap plans for a visit to Poland.

France and Britain have already said they would withdraw their soldiers currently on UN duty in Bosnia in the event of a lifting of the arms embargo, which the United States may engineer next month if the Bosnian Serbs fail to meet an October 15 deadline for accepting the latest peace plan for the former Yugoslav republic.

De la Presle said the withdrawal of UN troops would be only feasible with the agreement of the warring parties.

"If, on the other hand, things took a turn for the worse, we could have need of NATO's support," the General said.

"UNPROFOR is by its nature a neutral peacekeeping force. If we pulled out in the framework of a lifting of the embargo it is clear that this position would be put into question."

UNPROFOR Not To Seek Bihac Air Strike

AU1509141994 Paris AFP in English 1357 GMT 15 Sep 94

[Text] Brussels, Sept 15 (AFP)—The two-pronged Serb offensive against Bosnian Goverment forces in Bihac does not warrant a NATO air-strike against the north-western enclave, the UN military commander in former Yugoslavia said Thursday [15 September].

"The information I have from Bihac is that the civilian population is not being threatened in a way which would justify asking for an air strike," said General Bertrand de Lapresle, commander of the UN Protection Force (UNPROFOR) in ex-Yugoslavia.

UN Bosnia commander "General (Sir Michael) Rose has not asked for an air strike and the problem of shooting around Bihac has been resolved by negotiations" with the warring parties, de Lapresle said.

He made the comments during an unannounced visit to the North Atlantic Treaty Organisation's military committee here. He was accompanied by Rose.

Fighting has intensified recently on three fronts in Bosnia as both sides postion themselves for a possible lifting of the UN arms embargo by the United States next month.

Izetbegovic, U.S. Envoy View Sanctions, Embargo

AU1509185594 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 Sep 94

[Text] President Clinton's special envoy and the U.S. representative in the Contact Group, Charles Thomas, today gave a detailed briefing to President Izetbegovic and his closest aides on the international community's latest moves regarding the peace process.

Mr. Thomas and U.S. generals attached to NATO explained that the ways and mechanism of monitoring the Serbian-Montenegrin border with our country were aimed at cutting off military supplies to the aggressor's army. We will take other specific measures so that those in Pale clearly understand that they have no future, the special envoy of the U.S. President said.

During the talks, the Bosnia-Herzegovina side raised a number issues of strategic importance for the further political developments in our country. Among these the most important is the Russian initiative for the easing of some sanctions on Serbia and Montenegro. We have expressed our view that a possible change, even a minor change in the regime of sanctions, should be linked not only to the effective monitoring of the border crossings from Serbia and Montenegro to Bosnia-Herzegovina, but also to Belgrade's recognition of the Republic of Bosnia-Herzegovina. Only the recognition of Bosnia-Herzegovina could make one believe that Serbia has given up its intention to partition Bosnia-Herzegovina.

In the talks, which lasted almost two and half hours, the participants also discussed the issues of security zones, the lifting of the arms embargo on the Army of Bosnia-Herzegovina, and the situation around Sarajevo. Our side expressed its views on these issues. In the open and comprehensive exchange of views, the two sides agreed that the state leadership of Bosnia-Herzegovina should remain in constant contact with the U.S. Administration to coordinate further political activities.

This was stated in a communique issued by the office of the president of the Presidency of the Republic of Bosnia-Herzegovina.

Koschnick Views Serb Shelling, EU in Mostar

AU1509192994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1700 GMT 15 Sep 94

[Report by Omer Vatric from Mostar]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Text] I learned about the arrest of those suspected of involvement in the assassination attempt on Hans Koschnick from the newspapers. This was stated by Jan Mayvogel, head of the EU police in Mostar, at a regular press conference in the EU Administration Headquarters in Mostar today. I do not have the names of those arrested, nor have I officially been informed about it. I should have been, Jan Mayvogel said in reply to a journalist's question.

Hans Koschnick could not say anything new about it either. Regarding the shelling of Mostar from the Serbian aggressor's positions at the foot of Mt. Velez, from which a shell was fired on the city (?center) on Tuesday night (13 September], fortunately without causing casualties, Koschnick said that he did not have telephone or any other links with Karadzic's Pale, and that EU ministers will be briefed on this. It is fortunate that a high level EU delegation, lead by Rudolf Streicher, is arriving in Mostar today to discuss the budget for the reconstruction of Mostar next year. They will visit the city and hold talks with the representatives of the eastern and western parts of Mostar. I will brief them on what kind of greetings we in this city under EU administration have received from the Serbian positions. Be sure that they will discuss the shell that landed on Mostar during their talks with Karadzic and the Pale leadership, Koschnick said.

Being in a very good mood, he told the journalists today that the European Union is very interested in Mostar and that the city represents a model of a future (?bridge) in Bosnia-Herzegovina. This is why I (?consider) the agreement reached in Zagreb to be a positive inducement for the efforts of the European Union and all those forces in Bosnia-Herzegovina, Croatia, and parts of the European Union [words indistinct].

At today's news conference, Koschnick announced that work on another bridge of [word indistinct] construction would start soon. The bridge would be built in Bijelo Polje. He also said that a an agreement had been reached on the construction of the first permanent bridge in Mostar, at (?Sarina), in the northern part of the city, and on extensive (?work) on residential buildings so that people could better cope with the winter and autumn, of which today's rain in Mostar was already a sign.

Serbs Preparing New Attacks on Mt Ozren Front

AU1609091994

[Editorial Report] Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian at 0800 GMT on 16 September carries in its regular seven-minute newscast three reports on the combat situation in the republic.

An unidentified correspondent from the 3d Corps Information Center reports that "the previous day on the fronts in the 3d Corps theater of operations was marked by Chetnik provocations from all types of weaponry and regrouping of forces and hardware with the aim of new attacks on our defense lines. Particularly fierce provocations were reported overnight on the Mt. Ozren-Vozuca front [words indistinct] 82-mm mortars to shell our defense lines and the village of Imamovici. Despite the support of antiaircraft weapons they did not dare go ahead with the attack. However, the fact that they spent the entire night bringing in reinforcements and hardware from the Mt. Ozren region confirms that they plan to move the front lines. Movements of the Chetnik army's vehicles was reported yesterday in the region of Husari on the Tesanj-Teslic part of the front."

Correspondent Abdulah Muhanovic reports that "for some time now, the free Kalesija territory has been the target of the most destructive artillery shells that the aggressor has been firing from all his strongholds on the slopes of Mt. Majevica and Mt. Javornik. He has been targeting the densely populated villages in the entire free area, while the very center of Kalesija and the industrial zone—where practically everything has been destroyed—are particularly targeted. The situation was the same yesterday and overnight. The criminals first made their presence known in the morning by firing several mortar shells from Mala Jelica at the defense lines in the wider area of Mt. Majevica. This was accompanied by fierce infantry fire, followed by machine gun, Broving, and antiaircraft machine guns and gun fire. The defenders were forced to respond. In the afternoon, the enemy used a 57-mm Zis antitank gun stationed in Pandurica to shell Balasinovac and the defense lines on the eastern part of the Kalesija front. In the evening, a 57-mm Zis antitank gun positioned in Vis was used to shell the center of Kalesija which resulted in fresh material damage. Provocations along the entire front line were reported throughout the night."

An unidentified correspondent reports on the situation in Gradacac from the 107th Chivalrous Motorized Gradacac Brigade press center and says that the previous day had been relatively quiet. "However," he continues, "in the evening and overnight the aggressor significantly stepped up his activity. Using a tank stationed in Gornje Krecane and 120-mm mortars in (Pulici), the enemy opened fire on the town and the suburbs. At the same time, the aggressor targeted the UN Protection Force team [words indistinct]. Over 10 shells were fired at the blue berets, so that at around 1900 they were forced to withdraw from their positions."

Serbs Stop Muslim Offensive in Southeast Bosnia

LD1609095494 Belgrade TANJUG in English 0938 GMT 16 Sep 94

[Text] Bileca, 16 Sep (TANJUG)—Bosnian Serb army said Thursday [15 September] it had crushed a three-day Muslim offensive in the region between Konjic and Kalinovik, towns in [word indistinct] southeast Bosnia.

The Bosnian Serb army said the Muslims had suffered big losses. The Bosnian Serbs had siezed a large quantity of weapons including the latest types of foreign-made hand-held rocket launchers.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

This is proof that the Muslims are receiving weapons from abroad despite the arms embargo, the Bosnian Serb army said.

Over the past few days the Muslim troops had attacked Serb positions and settlements of Bijela, Granaticevo, Borci and Kalinovik.

The Bosnian Serb army said its scouts had on Wednesday reported a column of 30 trucks carrying troops and ammunition heading towards konjic which indicates possible new Muslim attacks from the direction of Mt. Igman and Mt. Bjelasnica, near Sarajevo, and from Gorazde, in eastern Bosnia, towards Kalinovik and Srbinje (former Foca) in southeast Bosnia.

Muslim Attacks on Serbs in East Continue

LD1509201594 Belgrade TANJUG in English 1842 GMT 15 Sep 94

["Pool" item]

[Text] Belgrade, Sept. 15 (TANJUG)—Muslims continued to attack Serb positions near Olovo, eastern Bosnia, last night and early Thursday, the Bosnian Serb News Agency SRNA said quoting Serb military sources.

In the attacks, Muslim forces used small arms, anti-aircraft weapons and mortars.

The Bosnian Serb army command in Sokolac, located southeast of Olovo, said that Muslim forces Wednesday and Thursday carried out additional mobilization in Olovo and nearby Kladanj.

Muslims are regrouping their forces on the strategically important Nisici Plateau, 20 km north of Sarajevo, where fierce fighting took place over the past four months, the command in Lukavica, a Serb suburb of Sarajevo, said Thursday.

On Thursday and over the previous night, Muslim forces opened sporadic fire on all Serb defence lines in Grbavica, a Serb district in the centre of Sarajevo.

During the previous night, Muslim forces resumed their offensive on an area about 40 km south of Sarajevo, around the towns of Konjic and Kalinovik, but all attacks were repelled and great losses were inflicted to the attackers, Serb military sources said.

5th Corps Repels Serb Attack on Bosanska Otoka

AU1509143994 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1300 GMT 15 Sep 94

[Report by Muhamed Mulic from Bihac]

[Excerpt] In the Bosanska Otoka region this morning, the Chetniks tried to breach the lines of the 5th Corps of the Army of Bosnia-Herzegovina with artillery and infantry. Our fighters responded fiercely, not allowing the aggressor to (?advance) in the free part of the Bihac region. The joint aggressors, consisting of Kardzic's and Martic's Chetniks, this afternoon continued shelling (?Otoka) from the Buzim region. The area around Cazin and Bihac (?outskirts) have not been spared either. (?Apart) from the material damage, there were fortunately no other consequences for the civilian population. [passage omitted]

Muslims Push Serbs Back on Konjic Front

LD1509161994 Zagreb Radio Croatia Network in Serbo-Croatian 1500 GMT 15 Sep 94

[Text] Fighting in Bosnia-Herzegovina continues. In Konjic, fierce fighting between the Bosnia-Herzegovina Army and the Bosnian Serb army is still in progress. In a large counteroffensive launched from several directions, the Bosnia-Herzegovina Army has seized a number of villages: Ljubina, Bijela, Krupac, Zavirine, Biskupi, Krstac, Pladjanica, and Janjina. They are likely to have captured parts of Glavaticevo, Boracka Draga, and Dabiceva Poljana. The Bosnian Serb army is withdrawing in panic to Cicevo, Zaborani, and Nevesinje. The Croat-controlled parts of Konjic are quiet; the soldiers are in full combat readiness and are attentively watching the newly created situation, a communique by the Defense Ministry of the Croat republic of Herceg-Bosna says.

Croats Withdraw Threat To Pull Out From Konjic

AU1509182894 Paris AFP in English 1746 GMT 15 Sep 94

[Article by Jon Boyle]

[Excerpts] Sarajevo, Sept 15 (AFP)—U.S. diplomats Thursday [15 September] narrowly averted an open rift in Bosnia's shaky Croat-Moslem federation after Croat forces threatened to withdraw from a key battle front defended jointly with the Moslem-dominated Bosnian army.

U.S. special envoy on ex-Yugoslavia Charles Thomas sparked the crisis by signalling at a meeting here Wednesday that Washington might provide weapons only to the Moslem-dominated Bosnian army in the event that the international arms embargo on Sarajevo is lifted, according to Croat officials. [passage omitted]

Croat officers later told UN officials that they were withdrawing their forces from around the strategic town of Konjic, southwest of Sarajevo, where Croat soldiers had been fighting alongside Moslems to beat back Serb attacks on the main supply line linking the Bosnian capital to Adriatic ports.

But the Croats withdrew the threat Thursday after Thomas reassured them of the U.S. commitment to the federation at a hastily convened meeting with Croat and Moslem military officials in Sarajevo. [passage omitted]

B-H Army Liberates Konjic 'Chetnik Stronghold'

AU1609111294 Sarajevo Radio Bosnia-Herzegovina Network in Serbo-Croatian 1000 GMT 16 Sep 94

[Report by Dzevad Dziho from the 4th Corps Information Service]

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

[Text] In a counterattack on Chetnik positions the defenders succeeded in liberating over 60 square km of territory in three days. The village of Bijela—a powerful Chetnik stronghold—was also liberated. The aggressor had been pounding Konjic from this village for the past two years. One aggressor T-55 tank was destroyed, as was a gun. Large amounts of material-technical equipment—antiaircraft machine guns and guns, Bofors, mortars, small arms, and ammunition—were also captured.

The 4th Corps defenders were also successful on the (Bijelimic)- Glavaticevo route, where they inflicted immense losses on the aggressor. Several dozen Chetniks were killed. It is only a matter of time before Glavaticevo is completely liberated. The aggressor, fleeing from the area, used chemical agents and at the same time sporadically opened artillery fire at residential buildings in Konjic.

We have to add that in this new situation, the troops of the Croatian Defense Council [HVO] 55th Home Guard Regiment [words indistinct] since the lines that they have been holding have been moved forward significantly. [Words indistinct] Certain amounts of armaments have been given to the [B-H] Army and soon, in villages populated by Croats, joint police patrols will be formed.

Ejup Ganic, Bosnia-Herzegovina Presidency member and Federation vice president, last night visited the 4th Corps command and held a working meeting prompted by the operations in the Boracko Jezero region.

Serbian Civilians Evacuated From Konjic Area

LD1609104794 Belgrade TANJUG Domestic Service in Serbo-Croatian 0950 GMT 16 Sep 94

[Text] Bileca, 16 Sep (TANJUG)—The regional civilian protection center in Herzegovina appealed today to civilian protection centers in Montenegro and Serbia for food, clothing, blankets, and medicines for the Serb population from the Konjic area.

About 1,000 Serb civilians have been evacuated from their villages near Konjic because of the current Muslim offensive and they are out in the open, the appeal says, adding that the civilians are unprovided for and that they urgently need food, blankets, clothing, and medicines.

Serbs Divert Power From Sarajevo to Pale

AU1509183494 Paris AFP in English 1805 GMT 15 Sep 94

[Excerpt] Sarajevo, Sept 15 (AFP)—Sarajevo was deprived of water and electricity Thursday [15 September] after storms and separatist Serbs cut off supplies to the city.

The cuts marked the first time the Bosnian capital had been deprived of power and water for 24 hours since a February ceasefire was agreed for the capital.

The UN Protection Force [UNPROFOR] said one of the two main power lines into the city had been brought down by storms, while the Bosnian Serbs at Vogosca, north of Sarajevo, were diverting power from the second line to their self-styled capital Pale.

The lack of power put out of action the Bacevo water pumping station, which supplies Sarajevo with 80 percent of its water.

UN Protection Force spokesman for Sarajevo Bernard Labarsouque said "teams of engineers from UNPROFOR have been working on the problem since 8:00 a.m. (0600 GMT)."

Power lines from the Kakanj power station had been cut by storms between Sarajevo and lakes southwest of the city, he said.

Asked if the Serbs were tightening the noose on Sarajevo because of the deployment this week of international observers along the border between the rump Yugoslavia and Serb-held regions of Bosnia to enforce a global embargo on the Serbs, Labarsouque said: "We are not accusing anyone." [passage omitted]

Muslim-Croat Fighting Reported in Travnik, Zepce

LD1509185994 Belgrade TANJUG in English 1739 GMT 15 Sep 94

[Text] Belgrade, Sept. 15 (TANJUG)—Bosnian Muslim, Croat and Serb sources reported fighting between Muslims and Croats in central Bosnia on Thursday.

Muslim forces from the central Bosnian town of Travnik on Wednesday night fired five mortar shells on the neigboring Croat-held Novi Travnik, the Bosnian Serb news agency SRNA quoted the Croat Radio Novi Travnik as saying.

The radio said the attack had left several civilians wounded.

The Muslim Radio Travnik said an order had been issued for all members of the Muslim army 7th Corps who are not currently on the front to report at once to their commands for "deployment on the frontlines."

Bosnian Serb army sources said they believed the order was aimed at replenishing the 7th Corps after it recently suffered major losses around Mt. Vlasic near Travnik.

Muslim-Croat fighting has also been reported in the past few days around Novi Travnik and Vitez, about 18 km southeast of Travnik.

The Croat Radio Herceg-Bosna said Thursday that a grave health care situation in and around the Croat town of Zepce, about 50 km southwest of Tuzla, had prompted local authorities to address Croatia for medical aid.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

The radio said Zepce inhabitants had rather called for help from Croatia than from the Muslim-Croat Federation because of the strained oolitical and military relations between the two sides in central Bosnia.

After a year of heavy fighting for territories, the Bosnian Muslims and Croats were pressured by the United States into signing an agreement in Washington last March to set up a federation.

The agreement envisages a possibility for the Muslim-Croat Federation in Bosnia of confederating with neighboring Croatia.

Muslim Leaders Expect Renewed Croat Fighting

LD1509171894 Belgrade TANJUG in English 1532 GMT 15 Sep 94

["Pool" item]

[Text] Sarajevo, Sept. 15 (TANJUG)—Three Croat refugees from the Tuzla region said Thursday Bosnian Muslim leaders had informed local authorities about a possible renewal of Muslim-Croat fighting.

The three fled the Muslim-controlled Tuzla region in northeastern Bosnia-Herzegovina two days ago, seeking refuge in the Srpska republic.

They said tension was mounting between Muslims and Croats, creating a sharp contrast with the provisions of the agreement on the Croat-Muslim Federation signed in Washington last March.

The refugees, who wished to remain anonymous, said that prior to Muslim leader Alija Izetbegovic's meeting in Zagreb with Croatian President Franjo Tudjman, instructions had come from Sarajevo indicating a possibility of renewed Muslim-Croat clashes.

They said the Sarajevo government had ordered all local and civilian authorities, as well as party leaders, to immediately organize the forming of food and fuel stocks.

The orders clearly indicated a possible escalation of the conflict between the Muslim army and the Bosnian Croat forces, which would result in complete severing of all communications and supply routes running across the Croat-held territories, said the sources.

The refugees said the local authorities had also been ordered not to allow the forming of Croat communities in Muslim cantons of the dual federation.

The Muslim leadership also ordered that Croat troops be incorporated into the Muslim government army, either by political methods or with the use of force, and that Croat conscripts refusing to report be forcibly mobilized to join Muslim units.

However, after two-day talks between Tudjman and Izetbegovic, a statement was issued in Zagreb on Thursday saying that an agreement had been reached to form a joint Croat-Muslim Army command and to pass regulations on a final military organization in the federation.

Krajisnik Warns of Measures Against 'Deserters'

AU1509150294 Belgrade BORBA in Serbo-Croatian 13 Sep 94 p 4

[SRNA attributed report: "Confiscation for 'Deserters and Slackers'"]

[Text] Sarajevo—Momcilo Krajisnik, chairman of the Srpska republic communal assembly, has told the Serbian Pale Television that a law is in preparation that would regulate issues linked to citizens avoiding the draft.

In the Defending the Homeland program [Na braniku domovine], aired on 11 September, he said that there were "two categories of citizens avoiding the draft—deserters and slackers."

"The deserters, currently residing out of the country, will be legally stripped of various rights and privileges, and their property will be confiscated," stressed Krajisnik. He added that "rigorous measures would be taken against citizens residing in the Srpska republic," and particularly stressed the tightening of control over "compulsory labor."

Krajisnik said that the assembly and the Srpska republic government had decided that "the issue of veterans' salaries had to be resolved." He added that the veterans "were completely justified in their dissatisfaction with the fact that conclusions adopted by the Srpska republic's highest state authorities were still not being implemented."

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

UNPROFOR Demands Release of Journalists

AU1509151494 Paris AFP in English 1444 GMT 15 Sep 94

[Text] Zagreb, 15 Sept (AFP)—UN military authorities demanded Thursday [15 September] that Croatia's separatist Serbs release two journalists held in the former Yugoslav republic on spying charges, a spokesman said.

Paul Risley, spokesman for UN Protection Force (UNPROFOR) headquarters here, said the UNPROFOR civil affairs coordinator had "vigorously protested against the arrest and continued detention" of British journalist Stephen Gould and his Croat colleague Antonija Rajkovic.

The two journalists were captured in eastern Croatia by separatist Croatian Serb forces after they both entered Serb-held territory by crossing a UN demarcation line created after Croats and separatists signed a ceasefire March 29.

The pair, imprisoned near the border with Serbia, have been charged with espionage, Risley said, adding that an UNPROFOR inquiry into the arrests could take several weeks.

In the interim UNPROFOR "will continue to press" for their "immediate release," he added.

Krajina Leadership Rift Deepens Over Blockade

AU1509134894 Belgrade BORBA in Serbo-Croatian 15 Sep 94 p 4

[Report by S.R.: "Babic's Withdrawal From Power Result of Blockade of Serb Republic"]

[Text] The announcement by Milan Babic, chairman of the Serbian Democratic Party [SDS] of Krajina, that the ministers from this party would withdraw from the Krajina government "if certain people continue to usurp power and impose an autocracy that undermines the functioning of the united authorities over the entire territory of the republic of Serbian Krajina," is directly connected—as BORBA has found out—to the government's decision to have the republic of Serbian Krajina participate in the blockade of the Serb republic, and to have Borislav Mikelic, prime minister of the republic of Serbian Krajina, as the main "controller" of the import and export of goods. The SDS of Krajina does not have the majority ministerial seats in the government, but it does have the majority deputy seats in the assembly of the republic of Serbian Krajina. In alliance with the Radicals, who have already called for Mikelic's resignation, the SDS of Krajina would have the absolute majority. The deputies of the Serbian Democratic Party of the Serbian Lands, who support Martic, would certainly find themselves on the same side, and Martic's "rift" with Mikelic is increasingly evident.

SDS' Babic Hints at Government Boycott

AU1509134794 Belgrade BORBA in Serbo-Croatian 14 Sep 94 p 28

[Report by Dj. Majstorovic: "Babic Announces Withdrawal of SDS From Republic of Serbian Krajina Government"]

[Text] Knin—Dr. Milan Babic, chairman of the Serbian Democratic Party [SDS] of Krajina, told BORBA after a meeting of the party's Executive Committee that there was a possibility that SDS ministers might be withdrawn from the government of the republic of Serbian Krajina if certain people continued to usurp power and impose an autocracy that undermines the functioning of the united authorities over the entire territory of the republic of Serbian Krajina.

"The possibility of renouncing power is the result of many hours of debate at the session of the party Executive Committee, because we do not want our participation in the government to be used as a smokescreen for some people's autocracy. It contradicts the program of the Krajina SDS, which calls for peace and national unity for the Serbian people," Dr. Babic stressed.

A session of the party's Executive Committee has been called for Saturday (17 September) in Topusko, in order to decide on the SDS executive committee's initiative regarding the withdrawal of the SDS from power," Babic said.

Commentary Views Progress of B-H Federation

AU1409174394 Zagreb VJESNIK in Serbo-Croatian 4 Sep 94 p 18

[Commentary by Ivan Sabic: "Too Many Questions Are Still In the Air"]

[Text] Since the moment it was born and caused whatever little hope there was that it could signal the start of a genuine process toward peace, the Contact Group plan for Bosnia-Herzegovina has attracted almost all the attention that the media pay to this part of the world, so that the other process that is supposed to give birth to the Croat-Muslim federation has been pushed to the sidelines. It could even be said that these days the leading people in the federation are paying more attention to the activities of the foreign ministers of the Contact Group countries than to the tasks that should be carried out for the implementation of the Washington Agreement and the Constitution of the federation. Even the earlier routine mutual denunciations for not having a sincere approach to the agreement have dried up. It is as though the initial enthusiasm for the agreement has gone, which brought about the end of the Croat-Muslim war and the first contours of the joint state that should ensure equality for both peoples.

So, it could be said that the initial elation has subsided, if indeed there ever was any regarding the establishment

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

of the federation. Because, if we suppose that the establishment of this state started with the first session of the Federal Assembly, from the very beginning the volume of elation has been far exceeded by the number of disagreements, by a readiness to interpret differently even the clearest constitutional principles, by countless accusations that the other side was acting as a brake upon the implementation of the Constitution... and generally, by tendencies to fish in troubled waters. The slow implementation of certain steps became customary right from the very start, when, at the first session of the constitutional assembly, it failed to elect either the president or the vice president of the federation for the transitional period. Since then, the federation has been constantly lagging behind the Constitution, and delays have been ever greater.

Everything Is Overdue

It is considered that all the deadlines prescribed by the constitution dated from the day of its adoption at the constitutional assembly of the Federation of Bosnia-Herzegovina, that is, on 30 March this year. "As soon as this constitution comes into force, the constitutional assembly will elect the transitional president of the federation and the transitional vice-president," reads one of the constitutional clauses, whose implementation was precisely one month overdue. Since the federation government is selected following a proposal of the two transitional officials, the entire process of the establishment of the federation was late from the very start insofar as their election was late. This would not have been so bad if the only delay had been that initial one month delay, but it became clear that the longer the deadline for the implementation of a constitutional agreement, the greater the delay. Thus the deadline for the election of transitional cantonal legislative bodies was fixed at 30 days, starting the day that the constitution came into force, while it is only recently that the first cantonal assembly has been established.

Work on the constitution of the cantonal assembly was first completed by districts, which, according to the Vienna Agreement on internal boundaries, make up the Tuzla-Podrinje [Drina basin] Canton. Representatives elected to the assembly of that canton met for the first time on 22 August, almost four months after the deadline prescribed by the federation constitution had expired. Since it is, for the time being, the one and only cantonal assembly, it must be acknowledged that the district leaderships of the Tuzla-Podrinje Canton have done a great job. However, despite this delay in the implementation of this constitutional clause, in that part of the federation the work on the establishment of the cantonal authorities has not yet been completed.

In addition to ambiguities and difficulties caused by the undefined outer borders of the federation, so that doubts are raised as to whether one should stick to the cantonal borders established by the Vienna Agreement, or whether it is necessary to revise them in accordance with the Contact Group plan, there are also disagreements regarding the proposed text of the constitution of the Tuzla-Podrinje Canton. For that reason the assembly did not endorse the canton's constitutional law at the first session, but rather adopted the proposed solution only as a draft of the constitutional law, while disagreements between the left (opposition) bloc in the newly founded assembly and the Party of Democratic Action [SDA], which has the majority of seats, continue.

The allegation that the opposition won 25 percent of votes in the last elections conducted in this region, while in the contact assembly it holds only 20 percent of the seats, is certainly quite serious, but is not the only accusation of the ruling party by the opposition.

The First Steps

The opposition also has many complaints about the (un)ratified text of the cantonal constitution. One of its leaders stated that the public debate on the document had been totally undemocratic, corroborating this with assertions that none of the proposals put forward by the opposition has been accepted, and that one text of the constitution was discussed in the public debate, while on the eve of the cantonal assembly's session a different text appeared. The SDA deputies club at the cantonal assembly reacted by issuing a statement that it was a scandalous lie to claim that a public debate on the constitutional law had not been conducted, and that the representatives of the opposition would be given an opportunity to participate in the work of the bodies of the assembly, which will compose the text of the constitution in the ensuing period.

Nevertheless, all this is an integral part of parliamentary life. Obviously, there are omissions, perhaps even such that would be unforgivable in other (peacetime) circumstances, but at this moment the most important thing is that the first step has been made with regard to the establishment of lower level authorities. True, that has been done in only one canton out of the eight into which the (undefined) territory of the Croatian-Bosniak federation is divided, but even that may be a good sign.

When speaking of difficulties in the establishment of the cantonal authorities in the Tuzla-Podrinje Canton, perhaps more attention should be paid, at least in the beginning, to the demands made by the HDZ [Croatian Democratic Community], a party that, despite having only four seats in the assembly, is being treated as a ruling party, owing to its relations with the SDA at Federation level. A reason for this is that disagreements between the partner- parties now occurring in debates on the flag, seal, and coat of arms of the Tuzla-Podrinje Canton could evolve to higher levels and cause difficulties in the functioning of the federal authorities.

In view of this situation, it seems that Nikola Koljevic's [one of the Bosnian Serb leaders] idea that in Bosnia-Herzegovina everybody will be somebody else's hostage, only without the Serbs now, who obviously do not like

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

the role of hostage, is coming true. In the federation itself things cannot be settled in such a way with Croats and Bosniaks being each other's hostages. Even if we disregard that a certain degree of trust must come about (or be generated), which is certainly necessary for the establishment of the joint state, one again concludes that Koljevic's theory, having proven itself untenable in circumstances that are not characterized by any balance of power and fear anyway, cannot be fully applied because the federation also includes two mixed-nationality cantons. [sentence as published] Therefore, it is logical that the establishment of transitional authorities at lower levels will be finished only when the assemblies of the mixed cantons are formed.

When Will Elections Be Held?

On 30 March this year, that is, on the day when the Federation Constitution was adopted by the constitutional assembly, the six- month transitional period started, at the end of which elections for the House of Nations and the House of Representatives of the dual federation should be held. One month earlier, that is, five months after the adoption of the Federation Constitution (the deadline expired on 30 August), the elections for cantonal legislative bodies and regional councils should have been held. It is assumed that at the moment when those elections are held, the establishment of transitional cantonal authorities will be a forgotten episode, because, in the meantime, some electoral laws will be passed and an election campaign will be held. It is therefore understandable that elections should not be expected to take place soon, particularly because the return of refugees must precede all these steps, but it would still be interesting to know when the subjects of the federation could hope for elections possibly to take place.

To this question, of course, nobody can given an answer. One thing is for sure, though: Those who fixed such optimistic deadlines could not be considered particularly good at understanding the circumstances in Bosnia-Herzegovina. For that reason precisely, those who have an opportunity to learn about the situation in the field in the most direct way should not become discouraged because of the strong feeling that deadlines cannot be met in time. In the slow implementation of constitutional principles, some people have already seen a serious indicator of a new Muslim-Croatian war.

However, wars do not start because of the overdue implementation of an agreement, but rather because of the lack of good will to reach, implement, and sustain agreements. Therefore, it is most important is that neither side gives up the Washington Agreement and all the documents regarding the settling of concrete questions are adopted later, either at subsequently held talks or through assembly procedures. An alarming situation, in the full sense of that word, would occur only if somebody somewhere started behaving in line with the opinion that one should not always blindly stick to the law.

Tudjman Congratulates Military on Exercise

LD1509115994 Zagreb Radio Croatia Network in Serbo-Croatian 1100 GMT 15 Sep 94

[Text] In the presidential palace today Croatian President Franjo Tudjman received Defense Minister Gojko Susak; General Janko Bobetko, chief of the General Staff of the Croatian Army; and high-ranking military officers, the president's office announced.

During their talks the president was briefed on a recent combined military exercise involving the use of various equipment, infantry and air defense units, and the Air Force. The exercise was a total success. The president congratulated those in charge of the exercise on their results.

President Tudjman also asked about other activities aimed at improving the organization and efficiency of the Croatian Army, the president's office says in its statement.

Radioactive Waste Reportedly Dumped in Slavonia

AU1309193894 Novi Sad DNEVNIK in Serbo-Croatian 8 Sep 94 p 2

[Report by J. Knezevic: "Agency for Manslaughter"]

[Text] Among the pioneer firms founded in independent Croatia, whose activities are closely connected with the overt and covert dealings of the state leadership, there is the Agency for Special Waste Disposal, whose real purpose is being increasingly disclosed and confirmed. In the past two years it has mostly been engaged in the transportation and disposal of toxic, chiefly radioactive, waste that is illegally channeled from Western Europe and then stockpiled in the area of Papuk and Psunj in western Slavonia. From this area Serbian citizens have been expelled and some 3,000 of them killed. As for the local Croats, they have been displaced and sent to refugee camps. The nongovernment and nonpartisan data-collection and informative center of Veritas in the republic of Serbian Krajina has obtained written evidence of these dumps and ways in which the waste is transported. Last year Veritas informed several international organizations and the United Nations on the discovery—but everybody is keeping silent.

In the meantime, the Agency's activities have expanded to intercession and transportation, that is, it provides all the services in the global disposal of toxic waste, thereby acquiring the necessary "credentials." So it happened that Slovenia—whether it was its own or of some other country—channeled a portion of such waste through Croatia as far away as to Columbia, and then a whole fuss ensued, because the South American country would not take it in. The waste was sent back, but, since Croatian-Slovene relations are rather tense because of disputed territories and debts, Ljubljana is reluctant to discuss what is to be done further with it, and since it is

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

unwilling to take the waste in, it will most probably end up at the dump in western Slavonia.

It is maintained that Columbia was not informed about the delivery of the waste, which is Croatia's responsibility as the transporter. This points to the fact that the issue has to do with an attempt illegal to transport waste, because international conventions prescribe strict controls and responsibility on the part of any transportation firm. Now the Agency is trying to transport a greater quantity of dangerous polychlorinated bitenyls from Croatia to France, via Slovenia and Italy, while the reason for that is to deny Serbian claims that waste from all over the world is being transported to and disposed of in Croatia. However, there are eyewitnesses and verified documents, irrevocably confirming that in the past three years a great quantity of radioactive and other dangerous waste has been transported to western Slavonia and disposed of in the area of Papuk and Psunj. There are also maps with marked localities that are being distributed throughout Croatia, whereas the entire business is still going on even now, although secretly. According to Veritas Chairman Savo Strbac, the Commission of the UN Security Council undertook to establish whether those dumps exist by taking underground pictures of the terrain, but although a year has passed, there has not been any response yet.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Serb Democratic Alliance To Boycott Election

LD1509204794 Belgrade TANJUG Domestic Service in Serbo-Croatian 1946 GMT 15 Sep 94

[Text] Skopje, 15 Sep (TANJUG)—The Main Committee of the Democratic Alliance of Serbs [DSS] in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] have decided to boycott elections in FYROM scheduled for 16 October this year, because the Macedonian parliament rejected a proposal to pass new laws on the electoral system and on constituencies—the DSS reported this evening.

The laws on the electoral system and on constituencies was passed at the time of the one-party system and they do not take into account the interests of nationalities.

The laws discriminate against all other nations and nationalities living in FYROM, the statement reads.

For that reason the DSS in Macedonia appealed to all its members and supporters to boycott the elections describing them as "the big fraud."

The same appeal was addressed to all their cocitizens in FYROM—Albanians, Turks, Romanies, Valachians, and others.

"The new elections will change nothing in FYROM. Everything will remain the same. The Macedonian National-Bolsheviks will gain legitimacy and they will rule FYROM for the next four years teamed up with American imperialists," we read in the statement.

"This strange coalition of Macedonian National-Bolsheviks and U.S. imperialists will not bring anything good. On the contrary, it will exploit people," the statement concludes.

Goals, Actions of CSCE Mission Scrutinized

94BA0397A Skopje PULS in Macedonian 12 Aug 94 p 22

[Article by Jovan Pavlovski: "But What if They Infiltrate Our Beds?!"]

[Text] I don't know what the role of the CSCE [Conference on Security and Cooperation in Europe] mission in Macedonia [The Former Yugoslav Republic of Macedonia—FYROM] is, and I know even less what its role in France, for instance, might be—naturally, if this respected institution has an office there at all. If it does, knowing the French very well, I am certain that they will not allow anyone whatsoever to judge and convict them for what they do and how, for instance, in the sphere of the judicial system.

But a report came out of the CSCE office a few days ago—admittedly, a preliminary one, but nonetheless a report—which says that the CSCE is not satisfied with the proceedings against the participants in the "paramilitary case"!

Thus, from the information received, among other things on the basis of "direct contacts between CSCE observers and the detainees," it is obvious that those arrested, during the period of their imprisonment, were not treated very attentively. It must be assumed that there has been a misunderstanding: The people arrested probably thought that they were being taken for a holiday at Ohrid, but those who arrested them thought that they were arresting serious criminals, and so the whole misunderstanding developed into what it did develop into. The ones who won out were those who were more powerful at the moment. If the operation to form a paramilitary force had been successful, and if its missions had been responded to, the arresters, under those conditions, would have been those who were black and blue from beating, as the direct enemies of the paramilitary personnel. If they remained alive, of course.

The report by the CSCE "observers"—it is a good idea to acknowledge this—was prepared on the basis of talks with those who were convicted and on the basis of talks with the defendants' attorneys! I cannot understand what kind of report the CSCE wants if it only talks with one side, and furthermore uses the services of an interpreter who is an Albanian. The guests in our country state: "The court accepted the prosecutor's arguments very quickly, and rejected virtually all the requests of the defense, which were considered crucial for proving the innocence of the defendants." And the esteemed CSCE people conclude: "According to what the CSCE could see during the court sessions, the investigation did not yield convincing proof that the activities for which they were indicted were conducted continuously for a period of two years." And, most importantly: "It could not be proved without a reasonable doubt that the purpose of these activities was unconstitutional!"

That is what is being said by the second defense attorney, this time the CSCE, regarding whom we do not know whether it is doing it voluntarily or has even been richly paid for it (why not, when in the world today anything can be bought, and conscience most easily of all?), without bearing in mind the elementary facts: during the trial (not during the investigative process, but during the trial) there was a confession of the purchase of weapons and ammunition, the formation of a computer center, and the gathering of documentation of all types on the situation in the police and the army. Defendant Resmi Ejupi, for example, confessed that during just one visit to Albania 200 Kalashnikovs of Chinese origin were purchased and carefully distributed among interested parties in the western part of Macedonia. And there is something else as a counterargument: The activity of forming a paramilitary force with a clearly emphasized mission continued even after the troubled times of the collapse of the old state, i.e., even when the sovereign Macedonian Republic had been established. The activists continued to do their own thing, but they could have (they could have, couldn't they?), if they meant the newly formed state well, formed a common cause with it, and defended their homeland together with others—of course, if they consider or considered this state to be their own.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

The gentlemen think the following: The country is in transition, and so these people have finally come down from the trees and stopped living on fruit, and naturally one has to help them. Fine! But recently in the United States, from the largest association of lawyers, the president of that very country received an exclusive award for "the application of the rule of law in the Republic of Macedonia." Obviously the CSCE does not think the same way the Americans do. Now there is a fear of something else: Since the guests are assuming for themselves the right to work in someone else's country, they might also infiltrate our marriage beds and there, in the name of seeking their truth, record what should and should not be recorded.

Text of Law on Election of President Published

94BA0270A Skopje SLUZBEN VESNIK in Macedonian No 20, 21 Apr 94 pp 589-590

["Law on the Election of President of The Former Yugoslav Republic of Macedonia"]

[Text] In accordance with Article 75, Paragraphs 1 and 2 of the Constitution of the Republic of Macedonia [The Former Yugoslav Republic of Macedonia], the President of the Republic of Macedonia and the Chairman of the Assembly of the Republic of Macedonia promulgate the following

Ukase on the Law on the Election of President of the Republic of Macedonia

The Law on the Election of the President of the Republic of Macedonia was proclaimed and adopted by the Assembly of the Republic of Macedonia at its 12 April 1994 session.

No. 08/1330/1

12 April 1994

Skopje

President of the Republic of Macedonia: Kiro Gligorov

Chairman of the Assembly of the Republic of Macedonia: Stojan Andov

Law on the Election of President of the Republic of Macedonia

I. Basic Provisions

Article 1

The present law regulates the procedure for the election of president of the Republic of Macedonia (hereinafter: president of the Republic).

Article 2

The provisions of the law ratifying the procedure for the election of representatives in the assembly and of councillors is applicable to the election for president of the Republic except where the law stipulates otherwise.

II. Scheduling and Holding of Election

Article 3

An election of the president of the Republic is scheduled by the chairman of the Assembly of the Republic of Macedonia.

The interval between scheduling the election and holding it may not be more than 60 or fewer than 30 days.

The act of scheduling an election for president of the Republic which stipulates the date and the start of the period for engaging in electoral activities is published in the SLUZBEN VESNIK NA REPUBLIKA MAKEDONIJA.

Article 4

The election for president of the Republic must be held within the last 60 days of the mandate of the incumbent president.

Should the mandate of the president of the Republic be terminated, regardless of the reason, an election for a new president must take place within 40 days of the date of expiration of the mandate.

Article 5

Should the Assembly of the Republic of Macedonia be disbanded, the chairman of the Assembly must, on the day of disbanding, in addition to the act scheduling the new election of representatives, submit an act to schedule the election of the president of the Republic, providing that the time stipulated in Article 4 of this law coincides with the time of disbanding of the Assembly.

III. Nomination and Approval of Candidates

Article 6

A candidate for president of the Republic should be nominated by at least 10,000 voters or at least 30 representatives in the assembly.

A voter or a representative may nominate no more than one candidate for president of the Republic.

Any individual who meets the requirements to be president of the Republic, as stipulated by the Constitution, may be a candidate for election as president of the Republic.

Article 7

The voters' signatures are collected, using a form approved by the State Electoral Commission. The form includes the full name, address, and registration number of the nominated candidate and the voter's signature.

Voters must sign the form in the presence of an authority charged with verifying the individual's right to vote. On the basis of the signatures collected, the list of candidates is drawn up on a form approved by the State Electoral Commission and is initialed by the authorized representative of the individual who has submitted the lists of voters.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

The authorized representative in the meaning of the third sentence of this article is the individual who heads the list; his deputy is the second listed individual.

Article 8

The list of candidates for president of the Republic submitted by the representatives must be entered on a form approved by the State Electoral Commission, in writing, indicating the full name, address, and registration number of the proposed candidate and the full name of the individual representative in the assembly and the date the list was approved.

Article 9

The lists of candidates for election as president of the Republic, along with the written statements of the proposed candidates, are submitted by the authorized representatives to the State Electoral Commission no later than 20 days prior to the scheduled election day.

The candidate may refuse the candidacy no later than 15 days prior to the day of election.

The commission in charge of accepting the lists of candidates for president of the Republic must certify that the lists were submitted within the stipulated deadline and drawn up in accordance with the provisions of this law.

Should the commission detect errors in the lists, it must summon the authorized representative of the individual submitting the lists or the representative who was the first to sign the list of candidates and request that the errors be corrected within the following two days.

Should those who submitted the list fail to correct the errors within the time stipulated in Paragraph 4 of this article, the suggestion expressed will not be taken into consideration by the commission in drawing up the list of candidates for president of the Republic.

Article 10

Within five days of the acceptance of the list of candidates, the State Electoral Commission will make public the names of the approved candidates in the SLUZBEN VESNIK NA REPUBLIKA MAKEDONIJA.

IV. Ratifying the Electoral Results

Article 11

The candidate who has garnered the majority of votes of the total number of individuals registered in the general voters' list will be elected president of the Republic.

Article 12

If the required majority of votes has not been reached by any candidate for the president of the Republic in the first round, in the second round, the voters must choose one of the two candidates who have garnered the largest number of votes in the first round.

The second round of voting must take place within 14 days of the completion of the first round of voting.

Article 13

The candidate with the majority of votes is elected president of the Republic after the second round, assuming that more than one-half of all voters have voted.

Article 14

If no candidate has attained the required majority in the second round, the full electoral procedure must be repeated.

If a single candidate is nominated for president of the Republic and has failed to acquire the necessary number of votes in the first round, the entire electoral procedure must be repeated.

Article 15

The cost of the electoral campaign for a candidate for president of the Republic may not exceed an amount equivalent to 1,000 average wages in the Republic paid over the last three months preceding the period of elections.

V. Issuing a Declaration

Article 16

The position of president of the Republic is assumed at a ceremonial meeting of the Assembly of the Republic of Macedonia with the reading of the following statement by the president:

"I hereby state that I shall perform the function of president of the Republic conscientiously and responsibly, that I shall obey the Constitution and the laws and protect the sovereignty, territorial integrity, and independence of the Republic of Macedonia."

VI. Concluding Provisions

Article 17

The law on the election and dismissal of the president of the Socialist Republic of Macedonia and of the vice president of the Socialist Republic of Macedonia will no longer apply as of the day of enactment of the present law (SLUZBEN VESNIK NA SRM, No. 38/90).

Article 18

The present law shall become effective on the eighth day of the day following its publication in SLUZBEN VESNIK NA REPUBLIKA MAKEDONIJA.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Federal

Kontic on Change in Government, Peace Options

LD1509204494 Belgrade TANJUG in English 2011 GMT 15 Sep 94

["Pool" item]

[Text] Belgrade, Sept. 15 (TANJUG)—Yugoslav Prime Minister Radoje Kontic said Thursday reconstruction was also aimed at achieving a modern and efficient state administration.

It was not a matter of only restructuring the government by ultimately reducing the number of ministries from 17 to 10 but of applying the principle of concentration of similar activities, enhancing accountability and supervision in implementation of federal and other legislation.

There were currently 8,250 employed in the Federal administration, said Kontic, and added that its keep cost between 170 and 180 million dinars this year, or about 1 percent of the social product.

Summing up the results of his cabinet over the past year and a half, Kontic said the government has throughout the period supported the peace option and acted on every possibility aimed at resolving the crisis in former Yugoslavia peacefully.

The government, he said, has over the period accepted everything, from the first, the Lisbon Plan of Cutileiro (for Bosnia-Herzegovina), via the Vance-Owen Plan, the Owen-Stoltenberg Plan, all the way to the 'Contact Group' Plan.

Having accepted the Contact Group Plan the government has in fact opted for peace and it was clear that the sanctions against Yugoslavia [word indistinct] gradually be lifted, he said.

Jovanovic Views Process To End UN Sanctions

AU1509204894 Belgrade RTB Television Network in Serbo-Croatian 1730 GMT 15 Sep 94

[Text] Vladislav Jovanovic, federal minister for foreign affairs, said in an interview with a Belgrade television station today that, apart from the fact that objective reporting is appearing increasingly often in the world media together with an admission of the mistakes that individual countries and personalities made about us and the Yugoslav crisis, there is also some admission of, as he put it, the disarming reality that Yugoslavia is a number one factor for peace and stability in this territory, as well as being the only country with which it is possible to seek ways out of the present crisis. For this Dnevnik newscast, we have singled out Minister Jovanovic's reply to the question asked by Milan Nedic, editor in chief of Belgrade Television, on what the process of lifting sanctions imposed on the Federal Republic of Yugoslavia will be like:

[Begin Jovanovic recording] First, it is generally understood that the opinion about and even reasons for the decision to begin the dismantling, that is, the lifting of the sanctions imposed on the Federal Republic of Yugoslavia are ready. They will be preceded by a certain procedure that cannot be avoided. First, it is necessary for such a proposal to be formally sent by the Contact Group to the UN Secretary General, so that the Secretary General can submit it to the Security Council, and that the Security Council can, on the basis of this and its own conviction about the strengthening of the peace process and the fulfillment of all conditions envisaged by the previous Security Council resolution on Yugoslavia, decide that the lifting of these sanctions may commence. This beginning does not encompass the most significant sanctions, but is very significant psychologically as it signifies something that might be illustratively presented like the unravelling of knitted sweaters or socks. The first lifting of sanctions, first of all of those in the sphere of civil aviation, culture, sports, and science will have a huge psychologically stimulating effect on speeding up the work on lifting the other sanctions, above all those in the sphere of trade and finance. [end recording]

Prime Minister Announces New Federal Government

LD1509132294 Belgrade TANJUG Domestic Service in Serbo-Croatian 1224 GMT 15 Sep 94

[Text] Belgrade, 15 Sep (TANJUG)—In accordance with the new decree on the organization of federal ministries and other federal bodies and organization, Federal Prime Minister Radoje Kontic today appointed new ministers in the federal government, and informed the former ministers about it at a government session in the Palace of Federation in Novi Belgrade this morning, the Federal Secretariat for Information announced.

The ministers with portfolio are:

Deputy prime minister and federal finance minister	Jovan Zebic
Deputy prime minister and federal minister for economy	Nikola Sainovic
Deputy prime minister and federal minister of justice	Uros Klikovac
Federal foreign minister	Vladislav Jovanovic
Federal interior minister	Vukasin Jokanovic
Federal defense minister	Pavle Bulatovic
Federal trade minister	Djordje Siradovic
Federal minister for transport and communications	Zoran Vujovic
Federal minister for labor, health and social policy	Miroslav Ivanisevic
Federal minister for development, science and environment	Janko Radulovic.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Ministers without porfolio are:

Margit Savovic in charge of human freedoms and minority rights; Zoran Bingulac, federal minister in charge of sport; and federal ministers Tomica Raicevic and Vuk Ognjanovic.

Dragutin Brcin is federal secretary for information and Mladen Vukcevic is secretary general of the federal government.

Federal Prime Minister Radoje Kontic thanked the former ministers, congratulated them on their past work, and wished them success in their new duties, a statement from the session says in conclusion.

Belgrade Rejects Draft From Working Group

LD1309163094 Belgrade TANJUG in English 1548 GMT 13 Sep 94

[Text] Geneva, Sept. 13—Yugoslavia has turned down the latest draft agreement made by the working group for succession of the conference on the former Yugoslavia.

Yugoslavia assessed that the document took account of the interests of all but the legal successor of the former Yugoslav Federation (SFRY)—the Federal Republic of Yugoslavia.

President of the Yugoslav working group for succession Kosta Mihajlovic said in a letter to president of the working group for succession of the conference on the former Yugoslavia Alf Johnson that the proposed draft flagrantly ignores the history, relations, facts and the actual situation.

The letter reminded Johnson that the newly created states have been formed through secession and acts in discrepancy with the international law and that his document cannot refer to the state based on fait accompli.

Yugoslavia has never ceased to exist within the Federal Republic of Yugoslavia, said Mihajlovic in his letter.

In refuting the thesis that Yugoslavia ceased to exist, Mihajlovic said that Montenegro and Serbia kept on with the continuity of the SFRY as the Federal Republic of Yugoslavia.

When Slovenia, Croatia, Macedonia and Bosnia-Herzegovina seceded from the SFRY, Montenegro and Serbia were against the secession, said Mihajlovic in pointing out that the Federal Republic of Yugoslavia remains open for all those wanting to join it.

FRY, Russia Sign Contracts Worth $1.8 Billion

LD1409114394 Belgrade TANJUG in English 1108 GMT 14 Sep 94

[Text] Belgrade, Sept. 14 (TANJUG)—Yugoslav and Russian firms have signed three contracts for economic projects worth about 1.8 billion dollars.

The Russian firm Polymer and the Yugoslav Sutjeska signed a contract here Wednesday on a joint venture in the manufacture of medical equipment, and another to sell equipment for a medical preparations factory in Russia.

Polymer also signed a contract with Jugodrvo for a joint venture in furniture manufacture.

Yugoslavia and Russia plan to implement 45 similar economic cooperation contracts which have been drafted by Belgrade's Beoagencija on the basis of two years of market research in Russia.

Government on Humanitarian Aid, Reorganization

LD1409182894 Belgrade TANJUG Domestic Service in Serbo-Croatian 1441 GMT 14 Sep 94

[Text] Belgrade, 14 Sep (TANJUG)—At a session today chaired by Prime Minister Radoje Kontic, the federal government expressed its satisfaction over the fact that the FRY's proposal aimed at increasing humanitarian activity in areas where the civilian population has been exposed to war suffering has been accepted within the framework of the international conference on Yugoslavia, the Federal Ministry of Information announced.

The statement says that the federal government particularly stresses that those countries that are well known for their friendly relationship with the FRY have again taken this opportunity to send representatives of national humanitarian organizations to take part in the humanitarian group of the conference on Yugoslavia.

Proceeding from its traditionally positive attitude toward the strengthening of comprehensive and mutually beneficial cooperation with international and national humanitarian organizations, the government believes that the activity of the abovementioned humanitarian group will help humanitarian aid to reach those who need it most more quickly.

The increase in humanitarian activity represents yet another contribution to the strengthening of the policy of peace and the affirmation of the FRY's principled policy to send humanitarian aid indiscriminately to the most threatened people, regardless of whether they are Serbs, Muslims, or Croats.

The federal government examined and adopted a series of decrees and regulations on the transformation of the state administration and reorganization of the Yugoslav Government.

The decree on the setting up of federal ministries and other federal bodies and organizations states that the FRY will have 10 federal ministries, four federal organizations, and three federal government services.

The following are to be set up: the Federal Ministry of Foreign Affairs, the Federal Ministry of Defense, the Federal Ministry for Internal Affairs, the Federal Ministry for Finances, the Federal Ministry of Justice, the

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Federal Ministry for Economy, the Federal Ministry for Transport and Communications, the Federal Ministry of Trade, the Federal Ministry for Development, Science and Environment, and the Federal Ministry of Labor, Health, and Social Welfare.

The newly formed ministries will have four federal administrations, five federal inspectorates, two directorates, one federal secretariat, and six federal institutes.

The main aim of the transformation is to merge the discharging of interlinked affairs which are within the competence of the federal administration, which should enable more efficient discharging of constitutional duties of the federation.

The government also adopted the decree on the principles and the internal organization and systematization of work places in federal ministries and other federal bodies and organizations, as well as the operating procedure of the Federal Government.

The new organization of federal ministries and other federal bodies and organizations comes into force on 15 September; within 30 days all newly formed ministries and other federal bodies are to adopt the new system of work places, the statement says in conclusion.

Defense Minister Receives French Official

LD1509120494 Belgrade TANJUG Domestic Service in Serbo-Croatian 1056 GMT 15 Sep 94

[Text] Belgrade, 15 Sep (TANJUG)—Federal Defense Minister Pavle Bulatovic today held talks with Jacques Limouzy, vice president of the French National Assembly's legislative commission. The guest from France informed Minister Bulatovic about his country's diplomatic initiatives aimed at establishing peace in the former Bosnia-Herzegovina and solving the crisis in the Balkans. He stressed that the conditions are ripe for the international community to completely lift the unjustly imposed sanctions against the Federal Republic of Yugoslavia.

"Peace has and should have no alternative, and our country advocates the establishing of a lasting and just peace and the fulfilling of the vital interests of all three nations in the former Bosnia-Herzegovina. We see the decision to send international humanitarian organization representatives to the border between the FRY and the Srpska republic as a gesture of good will. We firmly believe that the world will soon realize that our country is strictly implementing its decisions," Minister Bulatovic stressed during his talks with Jacques Limouzy.

Serbia

Milosevic, Bank Chief Meet, Discuss Economy

LD1409203194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1641 GMT 13 Sep 94

[Excerpts] Belgrade, 13 Sep (TANJUG)—At a meeting with Serbian President Slobodan Milosevic today, the results of the implementation of the Program of Monetary Reform and the preconditions for beginning the final phase of drawing up a complete program for the economic recovery of the country were examined, according to a statement from the president's office.

The statement says:

"It was assessed that the successful results in implementing the Program of Monetary Reform have created the conditions for moving on to the final phase of extending and completing the economic program and, it can indeed be said, for entering a phase of economic development.

"The success of the program of monetary reform has enabled us to consider the possibilities of establishing the remaining programs in the nonmonetary sphere, which should enable us to possess a comprehensive program of economic recovery for the country at the end of this year and the beginning of next year. I stress here that we can find the basis for this in the accomplished results of the monetary reform program.

"Over the past several weeks, we talked about issues that had appeared during the work on finalizing the economic program for the country's recovery. Therefore, I think that today's meeting should primarily be concerned with discussing the main directions of activities on concluding the economic program. Here I would list three main directions on the basis of which one should prepare a corresponding program. These directions are: Firstly, the issues of taxation, wages, and pensions. This triangle with a high degree of mutual dependence has a huge import for the stability of the economy, for the degree of motivation in work and production, and for achieving an appropriate level, a higher level of social justice. It is very important that, in this triangle of taxation, wages, and pensions an appropriate system and an appropriate balance be established which would make it possible for this entire complex to act in a stable manner and at the same time as a basis for a rigorous economic growth and a support for an overall stability of the economy.

"The second program that I consider necessary to be discussed today is the issue of the reform of the financial system, that is, first of all, the reform of the banking system. Without expounding on what this task and this complex of issues that should be prepared should encompass, I hope that you will agree that this is an unavoidable factor that must be settled if we want to define a basis for a serious and successful economy, a modern economy that we would like our country's economy to be.

"The third group of issues that should be very responsibly prepared is the issue of investment. Therefore, I suggest that we should discuss today the main questions and tasks that should be performed in the nonmonetary sphere: the issue of wages, taxation, pensions, and the preparations for regulating this complex; the issue of the reform of the financial system, that is, the banking

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

system; and the question of investments. Upon this basis and by continuing to implement the monetary reform program, I think that by the end of this year and the beginning of next year, we should have a complete and comprehensive program of economic recovery for the country."

The governor of the National Bank of Yugoslavia, Dragoslav Avramovic, explained the basic directions of the next steps in implementing the Program and stressed the main tasks which have to be carried out as preparation for its successful completion.

"The basic arguments have been clearly outlined in the president's statement," Avramovic said. "They were arrived at in talks on the questions most often raised by broader groups, from the trade unions to bankers, to people on the streets, which is in my view the best barometer of where we are and where we need to get to. What we have done in the past seven months has given us our life- line which has become a reality. We have achieved a stable currency so that the economic recovery has exceeded all our expectations. There is no doubt that production, however it is measured, has increased by at least 50 percent annually. Far more than that, there are four different indices against which I have measured it which indicate that living standards have been largely restored, and that, which is very important, an exceptional incentive to work has been achieved. Wherever you look, there is either a new shop or new cafe or new company, and what is in my view most encouraging is that our economy has shown a flexibility which has exceeded all expectations, even my own although in that respect I was optimistic even in the dark days at the end of last year. We have succeeded in reactivating idle capacities without any money from abroad and without calling on domestic reserves. Our reserves and possibilities are greater than they were at the start. We now have even an increase in employment. Our indices do not show that because they are not up to date. Yesterday I saw, for example, that in Pancevo the number of people on compulsory leave has fallen from 21,000 to 6,000. We have an increasing phenomenon of lack of labor in our rural areas for agricultural work. For the first time we have an upsurge in construction work."

Speaking about issues outside the monetary sphere, the National Bank governor identified three groups of issues. In connection with the issue of investment projects and their revival, Avramovic said that there were delays here and that, despite the blockade and everything that has happened, we must make preparations as soon as possible. There is a great need in infrastructure, from the electricity industry to the railways, from irrigation projects to telecommunications. Individual companies have plans in the area of infrastructure, but unfortunately these plans are not coordinated. Avramovic noted the need for establishing priorities as the prerequisite for an organized investment process.

Likewise, according to Avramovic, there is a significant problem of overhauling small and medium-sized companies, which must also be resolved quickly. As for major systems, there are problems in this area as well which must be resolved efficiently, although the situation is better than it is usually depicted. All this indicates that programs for future investment projects must be prepared on time and in such a way that they can obtain immediate financial backing both at home and abroad. In the conditions of a market economy profitable projects will always find financing, Avramovic said. Advocating packages of projects which would come under a specific financial organization, a consortium of banks or a single bank, which would sell securities on the basis of the value of estimated income and which would perhaps be guaranteed by the National Bank and monitored under guarantees of a financial consortium, Avramovic considers that these projects could be very quickly implemented. Such projects will also be bound to attract foreign contractors.

Another problem, according to Avramovic, is that of social justice [socijalna pravda], or in other words social efficiency and at the same time financial efficiency. These are questions of pay, pensions, and taxation. The essence of the problem of pay is that minimum wages range from 100 to 150 dinars, which is clearly inadequate. These wages should be increased , but this does not mean that all other wages should be increased proportionately. This automatic linkage cannot continue. A similar, very serious problem is that of pensions. The most hard-pressed citizens are those who receive the smallest pensions. In addition, pensions are insecure and unstable. We must therefore study and find ways of reorganizing pension funds and linking them with current wages in order to improve the material position of those on the lowest pensions.

Professor Avramovic also criticized the taxation system which he described as being based on expenditure rather than income and as such not stimulating enough for job creation. He also drew attention to problems in the financial sphere. In his view, we still lack the financial market. This is illustrated by the fact that the longest term for granting loans in the financial market was 15 days. As a result the interest rates over the year are much higher than officially declared. Professor Avramovic also warned of the danger of recurring queues outside our banks. This problem must be solved once and for all especially since there are ways of doing it, the governor stressed.

To this end a study group should be set up comprising both creditors and lenders with the task of resolving this problem in a satisfactory way. The main issue facing our society is how to speed up economic growth as a prerequisite for tackling unemployment and guaranteeing social justice. There is no doubt that the main prerequisite for growth is an efficient economic activity. This will help to create favorable prospects for our future—Professor Avramovic stressed.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

Following Professor Avramovic's explanation, the president of the Serbian Government, Prime Minister Mirko Marjanovic reported on the measures and activities facing the government. [passage omitted]

The meeting today with President Milosevic was attended by the governor of the National Bank of Yugoslavia, Dragoslav Avramovic; Serbian Prime Minister Mirko Marjanovic; and officials of the Republic of Serbia serving in the federal bodies responsible for economy, finances; and presidents of Trade Unions and economic chambers.

At the meeting, stands and assessments contained in the document entitled "Economic Growth, Social Justice, and Financial Efficiency, Program for 1995-1997" were adopted.

The composition of the working groups, which will also include those who took part in the meeting today, will be announced by the end of the week. Their deadline is the end of the year. The main coordinator will be Dragoslav Avramovic, the statement says in conclusion.

'Text' of Monetary Reform

LD1409223194 Belgrade TANJUG Domestic Service in Serbo-Croatian 1727 GMT 13 Sep 94

[Text] Belgrade, 13 Sep (TANJUG)—At today's meeting with Serbian President Slobodan Milosevic the results of the implementation of the monetary reform program and the prerequisites for launching the final phase of defining a comprehensive program of the country's economic recovery were discussed. Views and assessments contained in the text entitled "Economic Growth, Social Justice, and the Financial Efficiency of the Economy—Program for 1995-1997" were adopted at the meeting.

The text reads:

Economic Growth, Social Justice, and the Financial Efficiency of the Economic Program for 1995-1997

The completion of the monetary reform and further work to maintain its results:

1. The task of reforming our monetary system, which was the main aim of our economic policy in 1994, has been completed successfully and in a record time. We now have a new stable currency which is worth working for, on which firms and families can base their plans; we have achieved an exceptional price stability after an unprecedented inflation; we have improved the living standard after the disastrous fall in 1993; we have increased the central foreign currency reserves and filled warehouses and shops with goods; we have discontinued the practice of financing the state by the National Bank of Yugoslavia; we have increased the production and launched fresh investment activity, including construction work; unemployment seems to be falling for the first time in many years. Perhaps most importantly, the faith in a better future has been restored among large sections of our society after the dark days between 1991 to 1993.

2. This does not mean that all monetary problems have been solved. One of the main tasks of the economic policy, for the rest of 1994, will be to safeguard our balance of payment and ensure that foreign currency factors do not foil our efforts to increase domestic production and improve living standards. The National Bank will work intensively on this issue and will soon propose measures for the consolidation of our financial situation abroad.

3. The second serious monetary issue is the need to satisfy the demand for domestic loans in our economy, especially in agriculture where the shortage of dinars does not provide for the adequate remuneration of already completed work in large areas of our country, and where money for the purchase of the crops, which will soon be harvested, is yet to be provided (sunflower and soya for vegetable oil and sugar beets in much larger quantities than last year).

4. Industry and trade are also short of loans. The provision of loans has been made easier since the state stopped being financed by National Bank loans, but it is important that the state should cease any deficit-incurring financing.

5. The remaining problems in the monetary sphere are important and must be solved soon, but they are much less difficult than those we have already dealt with: Without a cent of foreign aid, even without access to our own reserves abroad because of the blockade, under the huge burden of the sanctions, without any advice from abroad, we have managed to introduce a healthy currency that has now rejuvenated our economy. We have not achieved this under conditions of stagnation and deflation, which are the main characteristics of stabilization programs almost everywhere in the world, including parts of the former Socialist Federal Republic of Yugoslavia and eastern Europe. On the contrary, we have achieved it with an increase in production and income. The selfless support from our workers and peasantry had a decisive role.

Problems outside the monetary sphere:

6. The main problems of our economy and society are nowadays increasingly often to be found outside the monetary sphere.

7. First, the problems lie in low wages for a large part of our workers whose family income is less than 200 dinars a month; in the uncertain existence of our peasants, especially in the socially- owned sector of agriculture where the purchasing plans have displayed certain weaknesses that must be corrected; in unstable and too low pensions for a large number of our pensioners; in our tax system that is not sufficiently stimulating—taxes that are too high on the organized part of our economy and almost nonexistent taxing of the "gray" economy.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

8. Second, our problems also lie in the lack of efficiency in our financial system and practice: in payment-related difficulties, delays in our banking activity; the weakness of the financial administration; the shortage of long-term loans; the lack of regulation in relations between the government, the National Bank, and commercial banks; the insufficient and inadequate insurance system.

9. Third, after a long period of insufficient investment, we are faced with the task of making a great effort in that sphere. There are still considerable unused capacities in industry, but if the post-reform rate of increase in production keeps up, the usable capacity should be in use by mid-1995. In the meantime and during that period, we need to replace large amounts of the existing and run-down stock of fixed capital, which should be followed by further expansion of capacities. The process of new investment activity should therefore be launched.

10. This should happen in the infrastructure (electricity industry, railways, telecommunications, water supply systems, ports, urban transport), industry, mining, agricultural machinery, and irrigation works. At the moment, there is no investment program, although our firms and public services have many plans. This should be dealt with in order to offer project packages for financing by both domestic and foreign capital.

Approaches to solving outstanding issues:

11. The problem of securing the balance of payment and improved loans to industry and agriculture are under the competence of the National Bank, and it should prepare and propose the necessary new measures to its council and the political leadership.

12. The setting up of three working groups was proposed for dealing with issues outside the monetary sphere. The groups would be tasked with preparing analyses and operational recommendations by 1 January 1995. They would consist of experts, businessmen, and representatives of workers, peasants, miners, and public employees. The following would roughly be the spheres of activity of the three groups:

—a working group for investment program

—a working group for salaries, pensions, and taxes

—a working group for the financial system reform

The working groups' possible contribution to solving the problem on the distribution of income:

13. Finally, if the working groups' work is successful, it will result in necessary analysis and operational conclusions that will lead to a possible solution to the central problem of our economy. That is the problem of the distribution of any rise in the income between the three groups of expenditure:

a) how much to give to the state to cover the social needs, primarily health, education, national defense, and administration;

b) how much to give for investment in the state, collective, and private sector as a whole;

c) how much to give to workers and peasants as a permanent increase in real income.

On the basis of that it will be possible to achieve the following goals:

1. A speedy economic and cultural development;

2. A higher level of social justice;

3. The creation of a modern market economy.

Prime Minister Sets Out Economic Priorities

AU1409164194 Belgrade Radio Beograd Network in Serbo-Croatian 1300 GMT 14 Sep 94

["Excerpt" from a speech by Serbian Prime Minister Mirko Marjanovic to the Association of Serbian Economists meeting in Milocer on 14 September—recorded]

[Text] Without any vacillation we will continue our policy of implementing the program of the country's economic recovery and will try to continue the positive trends in our economy using all available instruments and measures of economic policy. To this aim, let me say the following:

Point one. We are taking the utmost care to follow strict budgetary restrictions, that is, we are trying to spend only what funds allow us to in order to reduce further expenses and expenditure. In the January-August period this year, budget revenue and expenditure were within the planned framework. The share of public expenditure in GNP was substantially reduced, and now amounts to 41 percent. The government has undertaken firm obligations to stop all deficit financing. Following these principles, we will determine the budget for 1995 in time.

Second, we will try to establish long-term price stability with economic rather than administrative measures, and especially price stability for key products. To this aim, we will intervene with reserves stocks and exports and take other measures to stop the artificial shortages of some goods and other disturbances in the market. A program of stabilizing prices of agricultural goods has recently been made in cooperation with the National Bank.

Third, on the basis of real business results we are looking into ways to increase the wages of those employed, and other incomes, because we are aware of the problem of low wages for a large number of our workers, and we are aware of the insecure living of the farmers and of the low pensions of a large number of our pensioners.

Fourth, we are paying considerable attention to the implementation of the social program so that enterprises, freed from having to perform social functions, can more easily follow the prescribed guidelines and behave responsibly toward their financial and other

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

liabilities. The government will not interfere in business arrangements made by banks and businesses, but we will always insist that loans be repaid and contracts honored.

Fifth, in the public sector of the economy and in the non-economic sector we will continue the incipient process of savings. This has to some extent already been achieved through wage controls in the public services and state bodies.

Sixth, within the framework of a modern taxation system, we are conducting a stimulative fiscal policy aimed at further reviving production and investment, and boosting employment. We are preparing measures to introduce higher taxes in the gray economy.

Seventh, in cooperation with the Federal Government, the Government of the Republic of Montenegro, and the National Bank of Yugoslavia, we are preparing for a speedy incorporation of our economy into the world market after the sanctions have been eased and lifted. Until the end of 1994 we will pay particular attention to the balance of payments and the consolidation of our financial situation with regard to other countries.

'Anonymous' Source Details Sanctions Violations

AU1509184094 Belgrade POLITIKA in Serbo-Croatian 10 Sep 94 p 1

[Article by Momcilo Cebalovic: "Bribes for Customs Officers, 'Rackets' for UNPROFOR..."]

[Excerpts] The only people unhappy with the chaos on the oil derivatives market are the ultimate consumers—drivers who pay at least one German mark [DM] more for a liter of gasoline than they would have under normal conditions had there been no blockade or the chaos that we write about. The damages that the Yugoslav neighboring countries suffer from are often referred to, but the person we talked to, who wishes to remain anonymous in order to retain his business, told us that "the aim of the political game with the blockade is to throw Serbia to its knees, to exhaust it economically through purchases of commodities to prices several times higher than normal, whereas those who introduced the sanctions pretend not to be informed about the fact that all neighboring countries require 'rackets' for business transactions."

He claimed that the "racket" was compensation for damages that the Yugoslav neighbors were suffering, which was, however, not paid by those who introduced the blockade, but by Serbia. He added that the state-owned oil companies, as well as the people who certify documents in the ministries of the neighboring countries, profited quite well from the oil derivatives trade since each seal was very expensive. He also told us that forwarding agents from both Yugoslavia and the neighboring countries earn enough money, too, not to mention the ordinary people who smuggle fuel.

He also said that customs officers were bribed on both sides and that the UN Protection Force [UNPROFOR] controllers were another problem, adding that they made the biggest profits. This is proven by the fact that they are replaced frequently because they are easily bribed. He told us that it was difficult to make arrangements with Ukrainians, but they could easily be reached with Austrians and Americans.

Enjoying Their Work and Becoming Rich

"There is no price list, but it is commonly known that it costs $100,000 for a train to cross the border if it is required from the controller not to ask what is inside. The price for a truck is DM4,000-5,000, but I have been known to pay $9,000 if the controller knows what I was transporting. This is obviously a good reason to require a higher price. Every cargo must be accompanied by a bag full of money for bribing. When a train sets off, the lights are switched off and the person not involved in the transaction is taken to a restaurant. A girl is then found for him, so prostitutes also profit from the blockade," our acquaintance told us. [passage omitted]

However, the bribing is not over when the border is crossed, since "the octopus has spread its tentacles." When there were rumors about questionable transactions performed by certain ministers, one could hardly believe that they were involved in this business. Ministerial scandals then began to arise. Several businessmen were killed in traffic accidents in Hungary, and there were also mysterious suicides.... There are many who take their piece of the "cake" when the commodity reaches the market. Large quantities are no longer crossing the border, so smaller amounts of money are being earned. We heard from one of the border policemen at the entrance to Belgrade that relatively large quantities of fuel enter the capital.

"We were told to let pass the drivers who have up to 300 liters, whereas we have to call the financial police for quantities bigger than that. When the financial police come, they collect the tax of a dinar per liter of fuel and then the dealer can proceed. We have had various experiences with drivers. They have asked us not to call the financial police because they did not want to pay a 1,000 dinar tax...," the policeman told us. [passage omitted]

Tomic: Economy Ready for Easing of Sanctions

LD1509121794 Belgrade TANJUG in English 1144 GMT 15 Sep 94

[Text] Belgrade, Sept. 15 (TANJUG)—Serbian Deputy Prime Minister Dragan Tomic said Thursday that the republic's economy was prepared for the lifting of the international sanctions.

The United Nations Security Council in late May 1992 imposed strict sanctions on the Federal Republic of Yugoslavia due to its alleged involvement in the civil war in neighboring Bosnia-Herzegovina.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

A Yugoslav Government report for August said the sanctions had caused damage amounting to 45 billion U.S. dollars.

Tomic said the Serbian Government and 150 leading businessmen were preparing for the post-sanctions period, especially in the sphere of investments.

Tomic said investment programs already contain priorities and sources of financing from abroad which will be activated as soon as the sanctions are lifted.

Tomic said there were shortterm economic reasons for foreign financing of certain projects in Serbia, as well as longterm interests which would enable the taking of positions in this major Balkan region.

Asked in what measure the economy would manage to regain its previous positions after the sanctions were lifted, Tomic said that now Serbia was capable of restructuring its economy in a reasonable and composed way.

We have preserved our facilities and workforce and will be able to revive economic relations with almost all countries. With some these links will be more intense in view of the current changes, especially in our immediate surroundings and the entire Europe, Tomic said.

Tomic said that investments in Russia would enable Serbian firms to operate in that country and that intense talks had been conducted with Libya on the same topic.

Tomic said business contacts with Italy, France and other countries had not been severed because Serbia's partners there had been aware that the sanctions were unjust and could not last long.

Asked whether Serbia would be closer or further away from Europe after the sanctions were lifted, Tomic said the sanctions had only sharpened the business sense of Serbian entrepreneurs and enabled them to find a way out of all situations.

'This will be fully pronounced after the sanctions are lifted,' he said.

Since business requires adaptability in all situations, it is certain we are closer to Europe than ever before.

Milosevic Meets With Judicial Officials on Crime

LD1509154694 Belgrade TANJUG Domestic Service in Serbo-Croatian 1413 GMT 15 Sep 94

[Excerpts] Belgrade, 15 Sep (TANJUG)—Today, Serbian President Slobodan Milosevic received a delegation of the Serbian judiciary headed by Serbian Supreme Court President Caslav Ignjatovic, a statement from the president's office says.

The statement says:

"The strengthening of the law governed state, the struggle against crime, and the role played in this process by the state and judiciary bodies were the main topics discussed at today's meeting between representatives of the judiciary and President Milosevic." [passage omitted]

Addressing the judicial representatives, President Milosevic said among other things:

"The war circumstances surrounding us, economic sanctions, the large-scale and uncontrolled emigration of people have contributed to an extremely increased level of crime. It has seriously threatened the vital interests of citizens, particularly in big cities. In this context, Belgrade has come under the most serious threat. The state must face this fact and react to it resolutely and energetically. This is why the state will take every measure at its disposal, and use every method it is entitled to under law, to put an end to the wave of crime in society and protect all citizens and their property.

"In its struggle against crime, the state will make no exceptions and concessions. Citizens can count on the determination of the state to support the safety and security of every citizen," Milosevic stressed.

This meeting between the judicial officials and Milosevic was also attended by Serbian Deputy Prime Minister Ratko Markovic, Internal Affairs Minister Zoran Sokolovic, and Justice Minister Arandjel Markicevic.

This report contains information which is or may be copyrighted in a number of countries. Therefore, copying and/or further dissemination of the report is expressly prohibited without obtaining the permission of the copyright owner(s).

BULK RATE
U.S. POSTAGE
PAID
PERMIT NO. 352
MERRIFIELD, VA

This is a U.S. Government publication. Its contents in no way represent the policies, views, or attitudes of the U.S. Government. Users of this publication may cite FBIS or JPRS provided they do so in a manner clearly identifying them as the secondary source.

Foreign Broadcast Information Service (FBIS) and Joint Publications Research Service (JPRS) publications contain political, military, economic, environmental, and sociological news, commentary, and other information, as well as scientific and technical data and reports. All information has been obtained from foreign radio and television broadcasts, news agency transmissions, newspapers, books, and periodicals. Items generally are processed from the first or best available sources. It should not be inferred that they have been disseminated only in the medium, in the language, or to the area indicated. Items from foreign language sources are translated; those from English-language sources are transcribed. Except for excluding certain diacritics, FBIS renders personal names and place-names in accordance with the romanization systems approved for U.S. Government publications by the U.S. Board of Geographic Names.

Headlines, editorial reports, and material enclosed in brackets [ ] are supplied by FBIS/JPRS. Processing indicators such as [Text] or [Excerpts] in the first line of each item indicate how the information was processed from the original. Unfamiliar names rendered phonetically are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear from the original source but have been supplied as appropriate to the context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by the source. Passages in boldface or italics are as published.

SUBSCRIPTION/PROCUREMENT INFORMATION

The FBIS DAILY REPORT contains current news and information and is published Monday through Friday in eight volumes: China, East Europe, Central Eurasia, East Asia, Near East & South Asia, Sub-Saharan Africa, Latin America, and West Europe. Supplements to the DAILY REPORTs may also be available periodically and will be distributed to regular DAILY REPORT subscribers. JPRS publications, which include approximately 50 regional, worldwide, and topical reports, generally contain less time-sensitive information and are published periodically.

Current DAILY REPORTs and JPRS publications are listed in *Government Reports Announcements* issued semimonthly by the National Technical Information Service (NTIS), 5285 Port Royal Road, Springfield, Virginia 22161 and the *Monthly Catalog of U.S. Government Publications* issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

The public may subscribe to either hardcover or microfiche versions of the DAILY REPORTs and JPRS publications through NTIS at the above address or by calling (703) 487-4630. Subscription rates will be provided by NTIS upon request. Subscriptions are available outside the United States from NTIS or appointed foreign dealers. New subscribers should expect a 30-day delay in receipt of the first issue.

U.S. Government offices may obtain subscriptions to the DAILY REPORTs or JPRS publications (hardcover or microfiche) at no charge through their sponsoring organizations. For additional information or assistance, call FBIS, (202) 338-6735,or write to P.O. Box 2604, Washington, D.C. 20013. Department of Defense consumers are required to submit requests through appropriate command validation channels to DIA, RTS-2C, Washington, D.C. 20301. (Telephone: (202) 373-3771, Autovon: 243-3771.)

Back issues or single copies of the DAILY REPORTs and JPRS publications are not available. Both the DAILY REPORTs and the JPRS publications are on file for public reference at the Library of Congress and at many Federal Depository Libraries. Reference copies may also be seen at many public and university libraries throughout the United States.